

La Crosse, La Crosse County, Wis.; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON of Wisconsin: Joint resolution (H. J. Res. 595) providing for an investigation of the abuses prevalent in the insurance business in the United States; to the Committee on Rules.

By Mr. RAMSAY: Joint resolution (H. J. Res. 596) to enable the States of Pennsylvania, Ohio, Illinois, Indiana, West Virginia, Kentucky, and Tennessee to conserve and stabilize the coal-mining industry within said States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BELL: A bill (H. R. 12844) for the relief of Fred W. Ross; to the Committee on Naval Affairs.

By Mr. COX: A bill (H. R. 12845) for the relief of John Benton Jones; to the Committee on Military Affairs.

By Mr. JOHNSON of West Virginia: A bill (H. R. 12846) granting an increase of pension to Mary A. Stagg; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10965. By Mr. BEITER: Resolution passed by the housing committee of the Buffalo City Planning Association, Inc., approving of the objectives of the Wagner housing bill (S. 4424) to place housing on a permanent basis, and opposing certain provisions of the measure, especially the lack of inclusion of personnel under civil service; to the Committee on the Civil Service.

10966. By Mr. COLDEN: Resolution adopted by the Board of City Planning Commissioners of the City of Los Angeles, Calif., asking favorable consideration of the Wagner housing bill (S. 4424); to the Committee on Banking and Currency.

10967. Also, resolution of Office Employees' Local Union, No. 15251, of Los Angeles, Calif., urging the passage of the Wagner-Elfenbogen housing bill (S. 4424 and H. R. 12164); to the Committee on Banking and Currency.

10968. By Mr. WELCH: Resolution of the San Francisco Labor Council, protesting against unlawful and unsafe methods of drilling carried on by the United States Bureau of Reclamation in the seven tunnels at Kenneth, Calif.; to the Committee on Mines and Mining.

10969. By the SPEAKER: Petition of the International Ladies Garment Workers' Union, Local No. 8; to the Committee on Banking and Currency.

10970. Also, petition of the International Ladies Garment Workers' Union, Local No. 101; to the Committee on Banking and Currency.

10971. Also, petition of the Chicago Federation of Labor; to the Committee on Banking and Currency.

10972. Also, petition of the International Ladies Garment Workers' Union, Local No. 189; to the Committee on Banking and Currency.

10973. Also, petition of the city of Chicago; to the Committee on Banking and Currency.

10974. By Mrs. ROGERS of Massachusetts: Petition of the City Council of Cambridge, Mass., requesting early enactment of the United States Housing Act of 1936, Senate bill 4424 and House bill 12164; to the Committee on Banking and Currency.

10975. By Mr. GOODWIN: Petition of the New York State Legislature, memorializing Congress not to reduce the tariff duty on coconut oil below a minimum of 3 cents a pound; to the Committee on Agriculture.

10976. Also, petition of the National Board of Young Women's Christian Association of the United States of America, affirming support of the Costigan-Wagner antilynching bill in the Senate and House; to the Committee on the Judiciary.

SENATE

TUESDAY, MAY 26, 1936

(Legislative day of Tuesday, May 12, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 25, 1936, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on May 22, 1936, the President approved and signed the act (S. 4594) to supplement the act of June 25, 1929 (ch. 41, 46 Stat. L. 41), which authorized and directed the Attorney General to institute suit against the Northern Pacific Railway Co. and others.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Radcliffe
Ashurst	Connally	La Follette	Reynolds
Austin	Coolidge	Lewis	Robinson
Bachman	Copeland	Loneragan	Russell
Bailey	Couzens	Long	Schwellenbach
Barkley	Davis	McAdoo	Sheppard
Benson	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Smith
Black	Fletcher	McNary	Stelwer
Bone	Frazier	Maloney	Thomas, Okla.
Borah	George	Metcalf	Thomas, Utah
Brown	Gerry	Minton	Townsend
Bulkeley	Gibson	Murphy	Truman
Bulow	Glass	Murray	Tydings
Burke	Guffey	Neely	Vandenberg
Byrd	Hale	Norris	Van Nuys
Byrnes	Hatch	Nye	Wagner
Capper	Hayden	O'Mahoney	Walsh
Caraway	Holt	Overton	Wheeler
Carey	Johnson	Pittman	White
Chavez	Keyes	Pope	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. McCARRAN] are absent because of illness, and that my colleague the junior Senator from Illinois [Mr. DIETERICH], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], and the Senator from New Jersey [Mr. MOORE] are unavoidably detained from the Senate.

I further announce that the Senator from Mississippi [Mr. HARRISON] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR], the Senator from Iowa [Mr. DICKINSON], and the Senator from Delaware [Mr. HASTINGS] are necessarily absent.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of certain papers and documents on the files of the Department of the Interior which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking toward their disposition, which, with the accompanying list, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. NORBECK members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the City Council of Brainerd, Minn., favoring the

prompt enactment of Senate bill 4424, known as the Wagner-ElLENbogen low-cost housing bill, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the executive committee of the American Historical Association, endorsing the recommendation of the National Historical Publications Commission for the enactment of legislation providing for the collection, editing, and issuance as a Government publication of original documentary materials relating to the ratification of the Constitution and the first 10 amendments thereto, which was referred to the Committee on the Library.

He also laid before the Senate a letter in the nature of a memorial from Anna Jarvis (founder of Mother's Day, Inc.), of Philadelphia, Pa., remonstrating against the enactment of the joint resolution (S. J. Res. 115) designating the last Sunday in September as Gold Star Mothers' Day, and for other purposes, which was ordered to lie on the table.

Mr. WAGNER presented a concurrent resolution adopted by the Legislature of the State of New York favoring the retention of the tariff duty of 3 cents a pound on imported coconut oil, which was referred to the Committee on Finance.

(See concurrent resolution printed in full when laid before the Senate by the Vice President on the 25th instant, p. 7832, CONGRESSIONAL RECORD.)

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred lists of national and other organizations that have endorsed Senate bill 4424, known as the low-cost housing bill; also resolutions adopted by various organizations endorsing the bill.

There being no objection, the lists and resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

NATIONAL ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL, URGING ITS ENACTMENT AT THE PRESENT SESSION OF CONGRESS

American Association of Social Workers Housing Committee.
American Federation of Labor: Executive council, building trades department; housing committee.

Mayor F. H. LaGuardia, president, United States Conference of Mayors.

National Federation of Settlements.
Federal Council of Churches of Christ in America.
National Women's Trade Union League.
National Public Housing Conference.
National Urban League.
National Board of the Young Women's Christian Association.
American Federation of Hosiery Workers.
Special Conference of American Rabbis; Social Justice Commission; Rabbi Edward L. Israel.
National Association for Advancement of Colored People.
International Brotherhood of Electrical Workers.
Glass Bottle Blowers Association.
International Fur Workers Union.
Brotherhood of Railway Clerks.
National Association of Letter Carriers.
Piano, Organ, and Musical Instrument Workers Union.
Sheet Metal Workers International Union.
International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers.

International Association Marble, Stone, and Slate Polishers, Rubbers and Sawyers, Tile and Marble Setters, Helpers, and Ter-razo Helpers.

United Rubber Workers of America.
International Federation of Technical Engineers, Architects, and Draftsmen's Union.

Federation Flat Glass Workers.
United Leather Workers International Union.
International Broom and Whisk Makers Union.
United Wall Paper Crafts of North America.
Cigar Makers' International Union.
National Federation of Rural Letter Carriers.
Operative Plasterers' and Cement Finishers' International Association.

Amalgamated Clothing Workers of America.
United Association of Plumbers and Steamfitters.
International Association of Machinists.
American Federation of Musicians.
International Ladies Garment Workers' Union.
United Mine Workers of America.
Bricklayers, Masons, and Plasterers International Union.
United Hatters, Cap, and Millinery Workers.
Labor Housing Conference.
Scripps-Howard newspapers.

ALABAMA

Housing Authority, Birmingham.
Muscle Shoals Building Trades Council, Florence.
Local Bricklayers, Masons, and Plasterers International Union, Dothan.
Alabama State Federation of Labor.
Birmingham Building Trades Council.
Anniston Central Labor Union.
Central Labor Union, Montgomery.
Central Labor Union, Winfield.
International Association of Machinists, River Front Lodge, No. 261, Mobile.

ARKANSAS

Central Trades and Labor Council, Pine Bluff.

ARIZONA

Mayor of Phoenix.
City Commission, Phoenix.

CALIFORNIA

Los Angeles Commission on Public Housing.
Los Angeles Municipal Housing Commission.
Central Labor Council of San Mateo County.
Central Labor Union of Monterey County, Salinas.
San Francisco Board of Supervisors.
Los Angeles County Board of Supervisors.
Los Angeles City Planning Commission.
San Bernardino City Council.
Mayor C. T. Johnson, San Bernardino.
San Francisco Labor Council.
Fresno Central Labor Council.
Carpenter's Local, No. 180, Vallejo.
Los Angeles Building Trades Council.
Carpenter's Local, Yuba City.
Central Labor Council, Santa Rosa.
Central Labor Council of San Joaquin County.
Consolidated Building and Metal Trades Central Labor Council, Vallejo.
Dressmakers' Union, No. 101, San Francisco.
Cloakmakers' Union, No. 8, San Francisco.
Ladies Garment Cutters, No. 213, San Francisco.

CONNECTICUT

Miss Mary Arnold, Greenwich.
Meriden Central Labor Union.
Mayor Alfred N. Phillips, Jr., Stamford.

DISTRICT OF COLUMBIA

John H. Fahey, Chairman, Federal Home Loan Bank Board.
Settlement Council of Washington, represents nine settlements.
Washington Building Trades Council.
Washington Times.
Msgr. John A. Ryan, National Catholic Welfare Conference.
Catherine Bauer, Labor Housing Conference.
William Green, president, American Federation of Labor.
Dr. John O'Grady, secretary, National Council of Catholic Charities.
Washington Committee on Housing.
Anson Phelps-Stokes.
Miss Jean Cowan.
Harry Bates, chairman, American Federation of Labor Housing Committee.
Michael J. Collieran, president, Operative Plasterers and Cement Finishers' International Association.

FLORIDA

Building Trades Council of Jacksonville.
Tampa Municipal Housing Authority.
Mayor R. E. L. Chancey, Tampa.
Bricklayers, Masons and Plasterers Union, No. 7, Miami.
Orlando Central Labor Union.
International Brotherhood of Electrical Workers, No. 177, Jacksonville.
Bricklayers, Masons and Plasterers' Local, No. 6, West Palm Beach.
Florida Building Trades Conference, St. Petersburg.
International Longshoremen's Association Local, No. 1416, Miami.
Municipal Housing Board, Jacksonville.
Central Trades and Labor Assembly, Tampa.
Building Trades Council, West Palm Beach.
Central Labor Union, St. Petersburg.
Duval County Board of County Commissioners.
Florida Federation of Labor.
United Association of Journeymen Plumbers and Steamfitters, No. 630, West Palm Beach.

GEORGIA

Mayor James L. Key, Atlanta.
City Council, Atlanta.
Mayor Richard E. Allen, Jr., Augusta.
Central Labor Union, Augusta.
Georgia Federation of Labor, Atlanta.
Building Trades Council, Atlanta.
Atlanta Federation of Trades.
Macon Federation of Trades.
Columbus Central Labor Union.
Central Sash & Door Co., Macon.

IDAHO

Central Labor Council, Lewiston.

ILLINOIS

City Council, Bellville.
 City Council, Waukegan.
 Mayor Mancel Talcott, Waukegan.
 Col. R. E. Wood, president, Sears, Roebuck, Chicago.
 Chicago Federation of Settlements (34 settlements).
 Committee on Housing, Council of Social Agencies, Chicago.
 Springfield Urban League.
 Local Union No. 98, Terrazo Workers' Helpers, Chicago.
 City Council, East St. Louis.
 Mayor James T. Crow, East St. Louis.
 Alfred K. Stern.
 Coleman Woodbury.
 Illinois State Board of Housing.
 Metropolitan Housing Council, Chicago.
 Illinois State Federation of Labor.
 Chicago Federation of Labor.
 Chicago Building Trades Council.
 Local No. 134, International Brotherhood of Electrical Workers, Chicago.
 South Chicago Trades and Labor Assembly.
 Central Labor Union, Rockford.
 Belleville Building Trades Council.
 Trades and Labor Council, West Frankfort.
 Kankakee Federation of Labor, Kankakee.
 Kankakee Building Trades Council.
 Blue Island Central Labor Union.
 Springfield Federation of Labor.
 United Cement Workers, Local No. 20066, Oglesby.
 Central Trades and Labor Union, East St. Louis.
 Benton Central Labor Union.
 Kewanee Trades and Labor Assembly.
 Y. M. C. A., Chicago.
 Mrs. Willard Hotchkiss, Chicago.
 Olof Z. Cervin, architect, Rock Island.
 Ladies Garment Workers Union, No. 189, Batavia.
 Women's City Club of Chicago.

INDIANA

John W. Kern, mayor, Indianapolis.
 Mayor William H. Dress, Evansville.
 Central Labor Union of South Bend.
 Kokomo Trades and Labor Council.
 Evansville Press.
 Indiana State Federation of Labor.
 Carpenters' Local No. 565, Elkhart.
 Central Labor Union of Council Bluffs.
 Bloomington Central Labor Union.
 Clinton Central Labor Union.
 Bricklayers Union, No. 6, East Chicago.
 Evansville Advisory Committee on Housing.
 Carpenters' Local Union No. 90, Evansville.
 International Ladies Garment Workers' Union, No. 116, Fort Wayne.

IOWA

City Council, Waterloo.
 City Council, Council Bluffs.
 Mayor William Guilfoyle, Council Bluffs.
 Sioux City Municipal Housing Commission.
 Building Trades Council, Des Moines.
 Cedar Rapids Building Trades.
 Iowa State Council of Federated Churchwomen.
 Mayor of Des Moines.
 Central Labor Union of Council Bluffs.

KANSAS

Coffeyville Central Labor Union.
 Central Labor Union, Hutchinson.
 United Trades and Labor Council, Pittsburgh.

KENTUCKY

Mayor Neville Miller, Louisville.
 Planning and Zoning Commission, Louisville.
 A. Joseph Stewart, Fidelity & Columbia Trust Co., Louisville.
 Housing and Advisory Committee, Louisville.

LOUISIANA

New Orleans Chapter, American Association of Social Workers.
 New Orleans Advisory Commission on Housing.
 Col. L. Kemper Williams, chairman, New Orleans Advisory Commission on Housing.
 Lake Charles Building Trades.

MARYLAND

Rabbi Edward L. Israel.

MASSACHUSETTS

Massachusetts State Board of Housing.
 Boston Housing Association.
 William Stanley Parker, chairman, Boston City Planning Board.
 Boston Housing Authority.
 Central Labor Union, Boston and vicinity.
 Cambridge Housing Authority.
 Building Trades Council, Boston and vicinity.
 John Carroll, Massachusetts State Federation of Labor.
 Building Trades Council, Lawrence.
 Union No. 19859, Wire Workers' Local, Worcester.
 Norwood Building Trades Council.
 Worcester Building Trades Council.
 Lynn Building Trades Council.

Central Labor Union, Lowell.
 Massachusetts Federation of Labor.
 Mayor of Cambridge.
 Cambridge City Council.
 International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, No. 49, Lowell.

MICHIGAN

Detroit Housing Commission.
 City Council, Dearborn.
 Mayor Frank Couzens, Detroit.
 Joe Wilson, Detroit Teachers' Agency.
 Central Fibre Products of Detroit.
 Council of Social Agencies, Kalamazoo.
 Calhoun County Council of Social Agencies.
 Kalamazoo City Commission.
 Michigan Federation of Labor.
 Legislative Committee of Trades and Labor Council, Muskegon.
 Battle Creek Federation of Labor.
 Merchants and Manufacturers' Trade Council, Menominee.

MINNESOTA

Minneapolis Central Labor Union.
 Building Trades Council, St. Paul and vicinity.
 Winona Trades and Labor Council.
 Trades and Labor Assembly, Brainerd.
 Minneapolis Building Trades Council.

MISSISSIPPI

Building Trades Council.

MISSOURI

Urban League, Kansas City.
 Building Trades Council, Springfield.

MONTANA

C. W. Williams, mayor, Billings.
 Billings Housing Authority.
 Helena Trades and Labor Assembly.

NEBRASKA

Mayor Roy N. Towl, Omaha.
 Helen W. Gauss, Omaha Social Settlement.
 Nebraska Chapter, American Association of Social Workers.
 Omaha Housing Authority.
 Omaha District, Nebraska State Conference of Social Work.

NEW HAMPSHIRE

Manchester Central Labor Union.
 Building Trades Council, Manchester.
 Cheshire County Trades and Labor Assembly, Keene.

NEW JERSEY

Board of Aldermen, Paterson.
 Ironbound Community and Industrial Service, Newark.
 M. Batzer, Asher-Batzer Service, Atlantic City.
 Atlantic County League of Retail Merchants, Atlantic City.
 Walter J. Buzby, president, Hotel Dennis, Atlantic City.
 Dyers Local No. 1733, Paterson.
 Camden Labor Housing Committee.
 Civic Committee for Slum Clearance, Atlantic City.
 Municipal Labor Housing Committee, Paterson.
 Jersey City Housing League.
 Dr. Howard Johnson, State Housing Authority.
 State Housing Authority.
 Mrs. Edith Elmer Wood.
 Federation of Dyers, Finishers.
 Camden Central Labor Union.
 New Jersey Federation of Labor.
 Central Labor Union, Glen Rock.
 American Federation of Hosiery Workers, New Jersey and New York District Council.
 Atlantic City Civic Committee.
 Essex County Building Trades Council, Newark.
 Atlantic City Welfare Bureau, Atlantic City.
 International Ladies Garment Workers' Union, No. 149, Plainfield.

NEW YORK

New York Times.
 City Council of Schenectady.
 New York City Baptist Mission.
 New York Ethical Culture Society.
 Harlem Housing Committee.
 Community Councils, New York City.
 John Volpe, New York.
 Miss Anna Mason, New York, Brooklyn.
 Dressmakers Union, No. 22, New York.
 Samaritan Alliance, Church of the Saviour, Brooklyn.
 Gustave Berger, New York.
 Schenectady Building Trades Council, New York.
 Joseph M. Brady, building economist, New York City.
 Blythe & Co., New York.
 United Neighborhood Houses, New York.
 Miss Helen Alfred, National Public Housing Conference.
 Metropolitan Hygiene Council, New York.
 Bricklayers' Union, No. 1, Brooklyn.
 Bricklayers' International Union, No. 9, Brooklyn.
 International Brotherhood of Electrical Workers, No. 3, New York.
 Brooklyn Eagle.
 Child Welfare Council, Schenectady.

Board of Aldermen, New York City.
 Niagara Falls Central Labor Union.
 Louis J. Horowitz, former president, Thompson-Starrett Co.
 Langdon Post, chairman, New York City Housing Authority.
 Ira S. Robbins, counsel, State Board of Housing.
 Mrs. Mary Simkovitch, National Public Housing Conference.
 Nathan Straus, president, Hillside Housing Corporation.
 Hillside Housing Corporation.
 Dr. Worth M. Tippy, executive secretary, Federal Council of Churches of Christ in America.
 Walter White, National Association for the Advancement of Colored People.
 New York City Housing Authority.
 Municipal Housing Authority of Schenectady.
 Housing Authority of Port Jervis.
 Syracuse Housing Authority.
 Yonkers Municipal Housing Authority.
 New York City Board of Estimate and Apportionment.
 Brooklyn Housing Committee.
 Lower East Side Public Housing Conference.
 Brooklyn Neighborhood Association.
 New York Urban League.
 Consolidated Tenants' League of New York City.
 Willystine Goodsell, associate professor of education, Columbia University.
 Rev. William F. Wefer, Good Shepherd Presbyterian Church, Jackson Heights.
 Mayor Joseph F. Lehr, Yonkers.
 Mr. Charles C. Webber, Union Theological Seminary, New York.
 New York Council on Economics.
 City Affairs Committee, New York.
 Central Trades and Labor Council of Greater New York and Vicinity.
 Modelers and Sculptors of America, New York.
 Housing committee, Jewish Social Service Association.
 Jewish Board of Guardians, New York.
 New York Kindergarten Association.
 Brooklyn Kindergarten Association.
 Williamsburg Public Housing Conference.
 Community Councils for the City of New York.
 Welfare Council, housing section.
 Plasterers' Local, No. 9, Buffalo.
 Women's City Club of New York.
 Michael Walpin, Bronx.
 Social service commission of New York East Annual Conference of the Methodist Episcopal Church, composed of 307 ministers from New York City, Long Island, and community (presented resolution to annual conference of Methodist Church).
 Mrs. Newman Levy, New York City.
 Lackawanna City Housing Authority.
 Paul Lawrence Dunbar Apartments, tenant subscribers.
 Evans Clark, director, Twentieth Century Fund, New York.
 Housing Committee, City Club of New York.
 Boston University Club of New York.
 Capitol District Joint Board, Amalgamated Clothing Workers, Troy.
 Operative Plasterers' and Cement Finishers International Association, Riverdale, Bronx.
 Central Labor Council, Buffalo.
 Gruber Bros., New York.
 Fur Trade Foundation, New York.
 Greater New York Federation of Churches.
 Col. Francis Vigo Post, American Legion, New York.
 Nursing Committee, Henry Street Visiting Nurse Society, New York.
 Milton Handler, Columbia University.
 Brooklyn Committee for Better Housing.
 New York State Board of Housing.
 Association of Day Nurseries, New York.
 Bookkeepers', Stenographers', and Accountants' Union, New York.
 Cloak, Suit, Skirt, and Reefer Makers Union, joint board of Greater New York.
 New York State Federation of Labor.
 New York Building Trades Council.
 New York Labor Committee on Housing and Slum Clearance.
 International Brotherhood of Electrical Workers, Local No. 3, New York.
 International Ladies Garment Workers Union, New York.
 Building Trades Council, Brooklyn.
 Central Union Label Council, Brooklyn.
 Central Union Label Council, Olean.
 Red Book Housing Committee, Brooklyn.
 Neighborhood Council, Navy Yard District, Brooklyn.
 International Longshoremen's Association, Local No. 327, New York.
 Kindergarten 6B, Teachers' Association, New York.
 International Longshoremen's Local No. 1,100, New York.
 Benjamin Andrews, professor of Household Economics, Columbia University, New York.
 Rev. Charles McAlpine, Lefferts Park Baptist Church, Brooklyn.
 Brooklyn Church and Mission Federation.
 American People's School, New York.
 International Longshoremen's Association, Brooklyn.
 Miss Anna E. Robinson, Julia Richman High School, New York.
 Amos I. Dusbaw, Brooklyn.
 Association of Journeymen Plumbers and Steamfitters, Tarrytown.

NORTH CAROLINA

Gastonia Gazette.
 State Federation of Labor.
 Central Labor Union, Winston-Salem.
 United Textile Workers, Gastonia.

NORTH DAKOTA

United Association of Journeymen Plumbers and Steamfitters, Local No. 338.

OHIO

North Toledo Community House.
 Cleveland Joint Board, Amalgamated Clothing Workers of America.
 International Association of Machinists, Local No. 439, Cleveland.
 Howard Whipple Green, Cleveland.
 Mayor Lee D. Schroy, Akron.
 City Council, Akron.
 City Council, Toledo.
 Mayor Roy D. Start, Toledo.
 Cincinnati Metropolitan Housing Authority.
 City Council, Lima.
 Better Housing League of Cincinnati.
 Citizens' Committee on Slum Clearance and Low-Rent Housing, Cincinnati.
 Legislative committee, Cincinnati chapters, A. A. S. W.
 Friendly New Settlement, Cleveland.
 City Council, Cleveland.
 City Council, Columbus.
 Mr. Travis G. Walsh, Maler, Walsh & Barrett, Cleveland.
 F. O. Eichelberger, city manager, Dayton.
 John V. Edy, city manager, Toledo.
 Central Labor Council, Cincinnati.
 Cleveland Metropolitan Housing Authority.
 Ernest J. Bohn, Cleveland City Council.
 Toledo Central Labor Union.
 Cleveland Building Trades Council.
 Cleveland Joint Board.
 Columbus Federation of Labor.
 Toledo Central Labor Union.
 Trades and Labor Assembly of Tuscarawas County, New Philadelphia.
 Trades and labor organization, Middletown.
 Piqua Central Labor Union, Piqua.
 Elyria Central Labor Union, Elyria.
 Zanesville Federation of Labor, Zanesville.
 Jefferson County Trades and Labor Assembly, Steubenville.
 City Council, Youngstown.
 Mayor Lionel Evans, Youngstown.
 Allied Construction Industries, Cleveland.
 Paul L. Feiss, member, Cleveland housing committee.
 Brotherhood of Painters, Decorators, and Paperhangers, Zanesville.
 Mothers' Club, Toledo.
 Regional planning council of Hamilton County and vicinity.
 August Marx, chairman, Citizens Committee on Slum Clearance and Low-Rent Housing, Cincinnati.
 Perry County Central Trades and Labor Council, Deavertown, Ohio.
 Rev. Francis R. Fochteman, Cleveland.
 Cincinnati Joint Board, Amalgamated Clothing Workers of America, Coat, Suit, and Dressmakers' Union, No. 63, Cincinnati.
 Toledo Central Union.

OKLAHOMA

Mayor Dr. T. A. Penny, Tulsa.
 Enid City Planning of Zoning Commission.
 Operative Plasterers and Cement Finishers, Local No. 170, Oklahoma City.
 Central Trades and Labor Council, Bartlesville.
 Central Labor Union, Ponca City.
 Okmulgee Central Labor Union.
 Henryetta Central Labor Union.

OREGON

Central Labor Council, Portland.
 Astoria Central Labor Union.

PENNSYLVANIA

Earl Harrison, attorney, Philadelphia.
 Mrs. Philip R. Hepburn, Rosemont.
 Allied Boards of Trade of Allegheny County (40 different civic and commercial organizations, 100,000 memberships).
 American Federation of Hosiery Workers, Local No. 10, Reading.
 Pennsylvania Federation of Labor.
 Central Labor Union, Kittanning.
 Mayor S. Davis Wilson, Philadelphia.
 Family Society, Philadelphia.
 Octavia Hill Association, Philadelphia.
 Beth Eden Settlement, Philadelphia.
 Neighborhood Center, Philadelphia.
 Friends' Neighborhood Guild, Philadelphia.
 City Council, Bethlehem.
 City Council, Pittsburgh.
 Pittsburgh Housing Association.
 Irene Kaufman Settlement, Pittsburgh.
 Pittsburgh Public Affairs Commission.
 Morris Knowles, Inc., Pittsburgh.
 S. Leo Ruslander, Pittsburgh.

Public Affairs Commission of the Federation of Social Agencies of Pittsburgh and Allegheny Counties.
Cannonsburg Central Labor Union, Strabane.
Mayor Robert F. Pfeifle, Bethlehem.
J. David Stern, publisher Philadelphia Record and New York Evening Post.
Easton City Council.
International Brotherhood of Electrical Workers, Local No. 5, Pittsburgh.

Francis D. Tyson, professor of economics, Pittsburgh.
George Evans, city councilman, Pittsburgh.
Edwin C. May, prominent businessman, Pittsburgh.
Federation of Women's Clubs, Pittsburgh.
Sidney Teller, settlement director, Pittsburgh.
Nathan Jacobs, president, Civic Club, Allegheny County.
Philadelphia Central Labor Union.
Philadelphia Building Trades Council.
Reading Federated Labor Council.
Bricklayers' International, No. 2, of Pennsylvania, Pittsburgh.
Association of Philadelphia Settlements.
Pennsylvania Security League, Harrisburg.
Armstrong County Central Labor Union, Kittanning.
Central Trades Council of Jeannette.
Central Labor Union, Quakertown.
Central Labor Union, Carbondale.
Erie Building Trades Council, Erie.
United Trades Council, Brownsville.
Central Labor Union of Clearfield County.
Central Labor Union, Lancaster.
Barnesboro Central Labor Union, Marsteller.
Blair County Central Labor Union, Altoona.
Uniontown Trades and Labor Council.
United Mine Workers of America, Local No. 6561, Smithfield.
Casket Makers' Union, No. 19072, Boyertown.
J. W. Freas, Chester.

RHODE ISLAND

United Textile Workers of America, Providence.

SOUTH CAROLINA

Central Labor Union, Spartanburg.
City Council, Greenville.
Charleston Board of Trade.
Tillman Lodge, No. 649, Charleston.

SOUTH DAKOTA

Aberdeen Central Labor Union.
United Brotherhood of Carpenters and Joiners, Local No. 783, Sioux Falls.

TENNESSEE

City Council, Knoxville.
Nashville Housing Committee.
Mayor Watkins Overton, Memphis.
Dr. H. P. Hart, Union Avenue Baptist Church, Memphis.
Nashville Building Trades Council.
Knoxville Housing Authority.
Knoxville Central Labor Union.
Tennessee Federation of Labor.
Robert A. Cerny, Knoxville.

TEXAS

Bexar County Tuberculosis Association, San Antonio.
C. Tranchese, S. J., San Antonio.
Houston Labor and Trades Council.
Mayor R. F. Sherman, El Paso.
United Brotherhood of Carpenters and Joiners of America, Local No. 131, Brownsville.
Houston Building Trades Council.
Building Trades Council.
Beaumont Building Trades Council.

UTAH

Federal Labor Union, No. 19287, Logan.
Building Trades Council, Salt Lake City.

VIRGINIA

National Federation of Post Office Clerks, Norfolk.
Roanoke Times.

WASHINGTON

Clark County National Housing Commission, Vancouver.
Clark County Central Labor Council, Vancouver.
Grays Harbor County Central Labor Union, Aberdeen.
Spokane Building Trades Council.
Pasco-Kennewick Federal Labor Union, No. 19146.

WEST VIRGINIA

Central Labor Union, Williamson.
Central Labor Union, Morgantown.
Central Labor Union, Clarksburg.

WISCONSIN

Mayor William J. Swoboda, Racine.
Mayor Daniel W. Hoan, Milwaukee.
Rev. E. LeRoy Dakin, First Baptist Church, Milwaukee.
Board of Public Land Commission, Milwaukee.
Administrator's Advisory Committee, Milwaukee.
Milwaukee City Council.
Mayor James A. Law, Madison.

City Council, Sheboygan.
Mayor of Sheboygan.
Oshkosh Trades and Labor Council.
Upholsterers' Union, No. 133, Sheboygan.
Federated Trades Council, Milwaukee.
Racine Building Trades Council.
United Association of Journeymen Plumbers and Steamfitters of United States and Canada, No. 167, Madison.
Kenosha Trades and Labor Council.
Green Bay Federated Trades Council.
Waukesha Trades and Labor Council.
Neenah-Menasha Trades and Labor Council.
Building Trades Council.
Milwaukee Building Trades Council.
International Boot, Shoemakers' Union, No. 197, Sheboygan.
Federal Labor Union, No. 18545, Sheboygan.
Phelps Wyman, landscape architect, Milwaukee.
Workers' Alliance, Sheboygan.
Central Workers' Auxiliary, Sheboygan.

WYOMING

Wyoming State Federation of Labor.

BOOKKEEPERS', STENOGRAPHERS' AND ACCOUNTANTS' UNION,
New York City, May 18, 1936.

Hon. ROBERT F. WAGNER,

United States Senate, Washington, D. C.

DEAR SENATOR: We submit for your consideration enclosed copy of resolution adopted by our organization in favor of the Wagner-Ellenbogen housing bill and hope you will give it your full support.

Very truly yours,

LEONARD BRIGHT, Organizer.

[Enclosure]

RESOLUTION ADOPTED BY BOOKKEEPERS', STENOGRAPHERS' AND ACCOUNTANTS' UNION

Whereas a large number of workers in New York City live in obsolete and inadequate dwellings; and
Whereas it is apparent that private enterprise is unable to remedy this situation; and

Whereas many skilled building-trades workers are unable to find employment, although the need for decent housing exists; and

Whereas the American Federation of Labor, in convention assembled last October, resolved unanimously that "a long-term, public-housing policy must be adopted in order to guarantee a minimum standard of decency in housing for all families"; and

Whereas the American Federation of Labor convention resolved that "broad Federal, State, and local legislation, establishing workers' housing as a public responsibility, setting up permanent machinery to effectuate the ends herein set forth, and providing adequate sources of funds must be enacted as quickly as possible, and that all labor organizations should actively sponsor and promote such legislation, and should investigate and publicize the stand on housing of all candidates for office"; and

Whereas the Wagner-Ellenbogen housing bill presents the first concrete forward step toward fulfillment of labor's housing program: Now, therefore, be it

Resolved, That the Bookkeepers', Stenographers' and Accountants' Union heartily endorses the Wagner-Ellenbogen housing bill, and urges its immediate adoption by the Congress of the United States; and be it further

Resolved, That we hereby petition the Congress, while leaving the general policy and administrative set-up as it now is in the bill, to increase the immediate appropriation from \$51,000,000 to \$100,000,000 and the first bond issue from \$100,000,000 to \$250,000,000, with corresponding increases for ensuing years; and be it further

Resolved, That copies of this resolution be sent to the President; Chairman WALSH, of the Senate Committee on Education and Labor; Acting Chairman GOLDSBOROUGH, of the House Committee on Banking and Currency; and to Speaker BYRNS.

An emergency resolution memorializing the Congress of the United States to enact the United States Housing Act, being S. 4424, by WAGNER, and H. R. 12164, by ELLENBOGEN

Whereas the availability of decent, sanitary, and safe housing for all of the people is now recognized as a proper concern of government; and

Whereas persons of low income can be housed adequately only by a degree of Government aid; and

Whereas the low-income group is of necessity occupying cast-off housing in what are known as our slum and blighted areas; and

Whereas the continued maintenance of our slums is socially undesirable and an economic waste; and

Whereas the city of Jacksonville has embarked upon a low-cost housing and slum-clearance program with the aid of the Housing Division of the Emergency Administration of Public Works; and

Whereas no funds are available to carry on this work without additional appropriations; and

Whereas it is desirable to preserve the benefits of the emergency housing experiences by providing for a permanent housing agency in the Federal Government; and

Whereas the building trades are still in need of stimulation in order to bring back a greater degree of employment; and

Whereas this resolution constitutes an emergency in that the same provides for the immediate preservation of the public prop-

erty and the usual daily operation of a municipal department: Now, therefore, be it

Resolved by the Municipal Housing Board of Jacksonville:

SECTION 1. That the United States Senate be, and it is hereby, requested to enact at the earliest date possible the United States Housing Act of 1936, being Senate bill 4424, introduced by Senator ROBERT F. WAGNER, and that the House of Representatives enact the identical measure introduced in said House by Congressman HENRY ELLENBOGEN, of Pennsylvania, and being H. R. 12164.

SEC. 2. That a copy of this resolution be sent to the President and to the Vice President of the United States and to the Speaker of the House of Representatives and to Senator DUNCAN U. FLETCHER and the following Representatives: W. J. SEARS, R. A. GREEN, J. HARDIN PETERSON, MILLARD CALDWELL, and MARK WILCOX, of Florida.

Adopted May 11, 1936.

FRED B. BRADSHAW,
Chairman of the Municipal Housing
Board of Jacksonville.

Resolution endorsing Wagner bill providing for creation of United States Housing Authority as permanent housing board

Whereas the Senate Committee on Education and Labor in Washington has under consideration bill S. 4424, introduced by Senator WAGNER, providing for the creation of a United States Housing Authority as a permanent housing board to replace the Housing Division of the Federal Emergency Administration of Public Works; and

Whereas the purpose of this Housing Authority will be "to provide loans and grants to the States and localities for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity"; and

Whereas his honor the mayor, in his inaugural message to the common council, reported that notwithstanding the Federal Government's \$10,000,000 Greendale housing project southwest of the city and the \$2,800,000 Parklawn housing development on the northwest side, there are still thousands of families in Milwaukee's low-earning group who will be inadequately housed, and there is no possibility that private capital will venture to solve the housing problem of the low-paid workers, and the problem must be solved to provide minimum standards of decency and relieve local public agencies of the burden of subsidizing in one form or another the unwholesome and deleterious conditions under which the families of these low-paid workers live; and

Whereas public low-cost housing development is one of the most effective means of providing useful employment and stimulating business activity with a reasonable prospect of recovering the funds advanced for reinvestment in new construction as and when needed: Therefore be it

Resolved, That the Common Council of the City of Milwaukee hereby endorses and recommends for adoption bill S. 4424 as a practical step toward the solution of our housing problems and as an effective means of relieving unemployment; and be it also

Resolved, That copies of this resolution be sent to Senator ROBERT WAGNER, our Wisconsin Senators, ROBERT M. LA FOLLETTE and F. RYAN DUFFY, and to Representatives RAYMOND J. CANNON and THOMAS O'MALLEY, of this city, for their consideration.

A resolution petitioning the Senate of the United States to enact an act known as the United States Housing Act of 1936, being Senate bill no. 4424; petitioning the House of Representatives of the United States to enact the identical measure, known as H. R. 12164; and providing that this resolution shall be an emergency resolution, which shall take effect and be in force immediately upon its passage and approval by the mayor

Whereas it is vitally necessary for the Federal Government to enact a program having for its objective the elimination of unsafe and insanitary housing conditions, the development of safe and sanitary dwellings for families of low income, and to provide financial assistance to the States and political subdivisions for said purposes: Now, therefore, be it

Resolved by the Council of the City of Youngstown, State of Ohio (three-fourths of all members elected thereto concurring):

SECTION 1. That the United States Senate be, and it is hereby, requested to enact in the interest of the public welfare an act known as the United States Housing Act of 1936, being Senate bill no. 4424, introduced by Senator ROBERT F. WAGNER.

SEC. 2. That the House of Representatives be, and it is hereby, requested to enact in the interest of the public welfare the measure introduced in said House by Congressman HENRY ELLENBOGEN, of Pennsylvania, and being H. R. 12164.

SEC. 3. That the clerk be, and hereby is, instructed to forward copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, Senator ROBERT F. WAGNER, Congressman HENRY ELLENBOGEN, Senators ROBERT J. BUCKLEY and VIC DONAHAY, and Congressman JOHN COOPER.

SEC. 4. This resolution is hereby declared to be an emergency measure necessary for the preservation of the public welfare, peace, and safety, the emergency being the necessity of initiating a Federal Government program having for its objectives the elimination of unsafe and insanitary housing conditions and for the development of safe and sanitary dwellings for families of low income, and as such this resolution shall take effect and be in force immediately upon its passage and approval by the mayor.

BINGHAMTON, N. Y., May 22, 1936.

HON. ROBERT F. WAGNER,

Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR WAGNER: I have been requested to advise you that Local Union 112 of Journeymen Plumbers and Steamfitters of the United Association, of Binghamton, N. Y., heartily endorse the following resolutions regarding the Wagner-Ellenbogen housing bill (S. 4424; H. R. 12164):

"Whereas the bad, obsolete, and inadequate dwellings in which the majority of workers in Binghamton, N. Y., and vicinity, are forced to live, constitute a mockery of this country's vast resources of land, labor, materials, and technical skill; and

"Whereas an absolute shortage of all kinds of dwelling is rapidly approaching both here and throughout the country, and is forcing rents to exploitive heights and forcing families to 'double up'; and

"Whereas labor's housing program is substantially embodied in the Wagner-Ellenbogen housing bill; and

"Whereas this administration must keep its oft-repeated promises to the American people, to improve housing conditions and increase employment in the building trades, which promises can be fulfilled only by the immediate enactment of the Wagner-Ellenbogen housing bill, preferably with larger appropriations and bond issues; and

"Whereas the provisions of low-rent housing on a nonprofit basis should be a great nonpartisan movement, and this bill should be supported by all Republicans and Democrats alike, who truly represent the interests of the people: Be it therefore

Resolved, That Local Union 112 of Journeymen Plumbers and Steamfitters of the United Association, of Binghamton, N. Y., hereby actively endorses and supports the Wagner-Ellenbogen housing bill, and urges both the President and every Member of Congress to do likewise and to make this bill into law at this session; and be it further

Resolved, That copies of this resolution be sent to the President and to the Senators and Representatives in Congress of New York State."

Trusting you will give this your consideration and approval, I remain,

Yours very truly,

C. H. SCHMIDT,
Recording Secretary, Local Union 112.

DEPORTATION OF ALIENS

Mr. REYNOLDS. Mr. President, I ask unanimous consent to have printed in the RECORD and referred to the Committee on Immigration a resolution adopted by the Sixty-eighth National Meeting of the Commandery General, a national patriotic organization with State divisions and locals in the several States.

There being no objection, the resolution was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Whereas there is pending in Congress the Kerr-Coolidge so-called alien deportation bill, which contains three major and four minor discretions that would substitute for existing inadequate but definite written deportation and immigration restriction laws, indefinite, personal immigration restriction and alien deportation, making the bill, as so ably pointed out on the floor of the Senate by Senator REYNOLDS, of North Carolina, really an alien importation bill; and

Whereas during the past 5 years in spite of the patriotic American administrative efforts of the consuls of the Department of State to slow down the alien influx by refusing immigration visas 949,903 aliens have legally entered the United States, and doubtless, judging by the large number of high-powered autos, high-speed boats, and fast airplanes, actually apprehended annually smuggling aliens into our country, as many more aliens entered illegally; and

Whereas of this annual alien influx of almost 200,000, 213,524 were new immigrants at a time when in every State and in every town and in every city in every State there were thousands of unemployed and dependents overtaxing our employers, charities, and people; and

Whereas not only has there been this annual alien influx to further burden our relief agencies and increase unemployment but alien deportations have been reduced from a previous annual average of over 19,000 to less than 9,000 in both 1934 and 1935, even deported alien anarchists like Emma Goldman, Henri Barbusse, Willie Musenberg, and the like, given written permission to enter and preach the overthrow of our Government; and even the number of alien criminals, the number of anarchists, the number of immoral classes, and all other alien degenerates, defectives, and objectionables here in flat violation of law decreased, their deportation being unlawfully "stayed" by the thousands, the number of anarchists dropping from 74 in 1933 to 20 in 1934 and 17 in 1935; the number of criminals deported dropping from 1,770 in 1933 to 1,589 in 1934, and 1,632 in 1935; the number of alien dope peddlers dropping from 167 in 1933 to 122 in 1934 and 111 in 1935; the number of insane and mentally and physically defective dropping from 1,056 to 662 in 1934 and to 510 in 1935 under a temperamental, sentimental alleged "humanizing" of law enforcement: Therefore be it

Resolved by the Commandery General in sixty-eighth annual session at Philadelphia, Pa., this 19th day of May 1936 A. D., That we urge upon Congress the defeat of the Kerr-Coolidge alien deporta-

tion bill and most respectfully suggest that what is needed is more instead of less mandatory immigration restrictions and alien deportation legislation, such as the proposed Starnes-Reynolds bill and the more patriotic and American enforcement of our restriction and deportation statutes, particularly putting on a basis of law the existing administrative discretion to exclude "persons likely to become public charges" by reducing the quotas to 10 percent, applying the quotas to nonquota countries and registering all aliens, our own native born being registered from birth to death; and be it further

Resolved, That the recorder in chief send a copy of this resolution to the President, the Secretary of State, and to every Member of Congress, together with an appropriate letter, and give a copy to the press for immediate publication.

REPORTS OF COMMITTEES

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (S. 4656) to amend the statutes providing punishment for transmitting threatening communications, reported it without amendment and submitted a report (No. 2095) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

S. 4567. A bill to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926 (Rept. No. 2096);

H. R. 11821. A bill to correct an error in section 16 (e) (1) of the Agricultural Adjustment Act, as amended, with respect to adjustments in taxes on stocks on hand, in the case of a reduction in processing tax (Rept. No. 2097); and

S. J. Res. 268. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic conditions of agricultural producers generally", approved August 27, 1935 (Rept. No. 2098).

Mr. WAGNER, from the Committee on Banking and Currency, to which was referred the bill (H. R. 10101) to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes, reported it with an amendment and submitted a report (No. 2099) thereon.

Mr. FLETCHER, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 266) for the appointment of boards to study and report upon the Atlantic-Gulf Ship Canal project, Florida, and the Passamaquoddy tidal power project, Maine, and for other purposes, reported it without amendment.

Mr. OVERTON, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 4618. A bill granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto across the Mississippi River at or near Baton Rouge, La. (Rept. No. 2100); and

S. 4676. A bill declaring Bayou St. John, in the city of New Orleans, La., a nonnavigable stream (Rept. No. 2101).

Mr. JOHNSON, from the Committee on Commerce, to which was referred the bill (H. R. 8525) prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore, and for the purpose of promoting the safety of navigation, reported it without amendment and submitted a report (No. 2102) thereon.

Mr. WHEELER (for Mr. MOORE), from the Committee on Interstate Commerce, to which was referred the bill (H. R. 11108) to advance a program of national safety and accident prevention, reported it without amendment and submitted a report (No. 2103) thereon.

Mr. COOLIDGE, from the Committee on Military Affairs, to which was referred the joint resolution (H. J. Res. 570)

authorizing the President of the United States to award posthumously a Distinguished Service Medal to Maj. Gen. Clarence Ransom Edwards, reported it without amendment.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 25, 1936, that committee presented to the President of the United States the following enrolled bills:

S. 537. An act for the relief of C. O. Meyer;

S. 920. An act for the relief of Ruth J. Barnes;

S. 925. An act to carry into effect the findings of the Court of Claims in the case of William W. Danenhower;

S. 1360. An act for the relief of the estate of Teresa de Prevost; and

S. 3789. An act authorizing the Secretary of Commerce to convey the Charleston Army Base Terminal to the city of Charleston, S. C.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DAVIS:

A bill (S. 4688) for the incorporation of the Ladies of the Grand Army of the Republic; to the Committee on the Judiciary.

By Mr. LEWIS:

A bill (S. 4689) for the relief of Harry W. Dubiske; to the Committee on Claims.

By Mr. SCHWELLENBACH:

A bill (S. 4690) for the relief of Borghild Harner; to the Committee on Claims.

By Mr. WAGNER:

A bill (S. 4691) authorizing the transfer of Camp Upton Military Reservation, Long Island, N. Y., to the State of New York, for forest demonstration, game conservation and management, and public park uses; to the Committee on Military Affairs.

By Mr. SHIPSTEAD:

A bill (S. 4692) for the relief of Harris Bros. Plumbing Co.; to the Committee on Claims.

By Mr. ROBINSON:

A bill (S. 4693) to establish the Arkansas Mounds National Monument of America in Lonoke County, Ark.; to the Committee on Public Lands and Surveys.

By Mr. BACHMAN:

A bill (S. 4694) to provide \$50,000 for the care, maintenance, and improvement of the ancestral home of James K. Polk, and for other purposes; to the Committee on Military Affairs.

By Mr. BONE, Mr. McNARY, Mr. SCHWELLENBACH, and Mr. STEIWER:

A bill (S. 4695) to authorize completion, maintenance, and operation of certain facilities for navigation on the Columbia River, and for other purposes; to the Committee on Commerce.

By Mr. KING:

A bill (S. 4696) to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926 (44 Stat. 630), as amended;

A joint resolution (S. J. Res. 272) to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937;

A joint resolution (S. J. Res. 273) authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes;

A joint resolution (S. J. Res. 274) to exempt from the tax on admissions amounts paid for admission tickets sold by authority of the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect in January 1937; and

A joint resolution (S. J. Res. 275) to provide for the quarantining, in certain public buildings in the District of Colum-

bia, of troops participating in the inaugural ceremonies; to the Committee on the District of Columbia.

LAND IN FORT BRADY RESERVATION, MICH.—AMENDMENT

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 190) granting authority to the Secretary of War to license the use of a certain parcel of land situated in Fort Brady Reservation to Ira D. MacLachlan Post, No. 3, the American Legion, for 15 years, which was ordered to lie on the table and to be printed.

THE AMERICAN MERCHANT MARINE—AMENDMENTS

Mr. JOHNSON submitted two amendments intended to be proposed by him to proposed amendments submitted by Mr. COPELAND, Mr. GUFFEY, and Mr. GIBSON to the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT TO FIRST DEFICIENCY APPROPRIATION BILL

Mr. WALSH submitted an amendment intended to be proposed by him to House bill 12624, the first deficiency appropriation bill, 1936, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following:

"Payment to Henry W. Peabody & Co.: For payment to Henry W. Peabody & Co. of claim no. 336, awarded April 18, 1929, by the Commission under a convention between the United States and Mexico concluded September 8, 1923, as extended, \$78,120.60: *Provided*, That the 5-percent deduction in reimbursement of the Government of the United States of expenses incurred by it in respect of such claim, provided for in the Department of State Appropriation Act, 1937, shall not be made."

NOTICES OF MOTIONS TO SUSPEND RULE—AMENDMENTS TO FIRST DEFICIENCY APPROPRIATION BILL

Mr. GEORGE. Mr. President, I submit a notice of motion to suspend paragraph 4 of rule XVI and ask that it be read at the desk.

There being no objection, the notice was read, as follows:

Pursuant to the provisions of rule XL of the standing rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes, the following amendment, viz, on page 100, after line 13, to insert a new section, to be known as section 7 (c), as follows:

"Not more than \$2,000,000 of the sums appropriated by section 2 of the Independent Offices Appropriation Act, 1937, for carrying out sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, shall be available to the Department of Agriculture for the purpose of carrying out the provisions of such act with respect to land devoted to the production of pine oleoresin and its derivatives, gum turpentine and gum rosin."

Mr. GEORGE. I also submit an amendment intended to be proposed by me to House bill 12624, the first deficiency appropriation bill, and ask that it be read, printed, and appropriately referred.

There being no objection, the amendment intended to be proposed by Mr. GEORGE was referred to the Committee on Appropriations and ordered to be printed, and was read, as follows:

On page 100, after line 13, to insert a new section, to be known as section 7 (c), as follows:

"Not more than \$2,000,000 of the sums appropriated by section 2 of the Independent Offices Appropriation Act, 1937, for carrying out sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act shall be available to the Department of Agriculture for the purpose of carrying out the provisions of such act with respect to land devoted to the production of pine oleoresin and its derivatives, gum turpentine and gum rosin."

Mr. BILBO submitted a notice of motion to suspend paragraph 4 of rule XVI, which was read, as follows:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes, the following amendment, viz, on page 26, after line 7, to insert the following:

"No person who is a candidate for any State, district, county, or municipal office in any primary, general, or special election, or is serving as a campaign manager or assistant thereto for any such candidate or is a member of any campaign committee organized to promote the political interest of any candidate for such office, or holds, either by appointment or election, any such office, shall be employed or continued in employment on administration staffs of the Works Progress Administration: *Provided further*, That this prohibition or ineligibility shall apply to any person employed or seeking employment on nonrelief supervisory personnel on works projects as well as on State, district, and field representative staffs."

PRINTING OF TAX HEARINGS BEFORE FINANCE COMMITTEE

Mr. KING (for Mr. HARRISON) submitted the following resolution (S. Res. 305), which was referred to the Committee on Printing:

Resolved, That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Finance of the Senate be, and is hereby, empowered to have printed for its use 1,000 additional copies of the hearings held before the said committee during the current session on the bill the Revenue Act of 1936.

EXTENSION OF INVESTIGATION OF SO-CALLED RACKETS AND RACKETEERING

Mr. COPELAND submitted a resolution (S. Res. 306), which was ordered to lie over under the rule, as follows:

Resolved, That the authority conferred by Senate Resolution No. 74, Seventy-third Congress, first session, authorizing an investigation of the matter of so-called rackets, with a view to their suppression, and Senate Resolution No. 196, Seventy-third Congress, second session, enlarging the scope of the investigation of so-called rackets and racketeering practiced in the United States, shall be extended and continued in force until the expiration of the Seventy-fifth Congress.

INVESTIGATION OF TRADE ROUTES BETWEEN THE UNITED STATES AND SOUTH AMERICA

Mr. BARKLEY submitted the following resolution (S. Res. 307), which was referred to the Committee on Commerce:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation of the ocean trade routes between ports of the United States and South America, and to investigate the service now maintained on such routes, the contracts, transactions, and obligations between the United States of America and any steamship line and its trustees, the operation of all American-flag services on such routes, the necessity or advisability of the construction of additional combination cargo and passenger ships for such routes, and what obligations, legal or moral, exist on the part of the United States toward security holders of any steamship line or other operators on account of existing ocean-mail contract or contracts or other transactions heretofore had between the United States of America and any such line; and shall investigate and report upon the recommendations contained in the report of the Secretary of Commerce transmitted to the President of the Senate by the Acting Secretary of Commerce on February 10, 1936.

For the purposes of this resolution the committee or any duly authorized subcommittee thereof is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures within the limits of this resolution as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$20,000, which sum is hereby appropriated, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The committee shall report to the Senate as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation.

ADDRESS BY SENATOR RADCLIFFE AT MARYLAND DEMOCRATIC CONVENTION

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD the keynote speech delivered at the Democratic convention of the State of Maryland on May 20 by my colleague the junior Senator from Maryland [Mr. RADCLIFFE].

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Everyone here is, I know, distressed to realize the absence of one of the ablest and most distinguished men that Maryland has ever produced. I refer to the late Albert C. Ritchie. It is my understanding that during the proceedings this afternoon some action will be taken in regard to him. It is instinctive for me, however, to take advantage of this opportunity to refer to my keen personal loss in the death of a lifelong friend.

No one is likely to forget that 4 years ago we of the Democratic Party asked that the running of the Federal Government be turned over to us. It is certainly not necessary to describe the conditions of affairs in this country at that time. It was one of the darkest periods in our history. During the administration of President Hoover the affairs of the country had gone from a state of feverish prosperity to one of severe and unprecedented depression. Throughout the length and breadth of our land economic and financial ruin existed or impended. Matters were going from bad to worse at a most alarming rate. The Republican Party had shown itself utterly incapable of handling the situation.

In November 1932 the people of the United States turned to the Democratic Party for the solution of many harassing problems. Two of these were the following: One was to tide us over existing difficulties. The other was to start our country back toward prosperity.

And now the Democratic Party is asking that it be given a grant of power for 4 more years. It is therefore natural that you, the people of Maryland, should desire to look carefully into the record of the Democratic Party during the existing administration. What have been the aims and objectives of the Democratic Party? What efforts were made by it to handle the depression and what success has been obtained?

No one of us will ever forget the heartening message, with its keynote of courage and confidence, which President Roosevelt gave to the people on March 4, 1933. At that moment the first ray of hope returned to an unhappy and stricken people. President Roosevelt said that the situation could be handled and that it would be done. Immediately efforts were made to stay the tides of disaster and to find ways of rehabilitation. Since the situation was extraordinary, is it surprising that some of the means adopted to handle it were unusual in character?

We may differ among ourselves as to the merits of any particular method used by the administration in Washington. No one will, however, question the fact that President Roosevelt showed supreme courage and optimism. Likewise, he submitted to the American people a program which for comprehensiveness of scope has never been excelled in the history of this country. Nor has there been any other so humanitarian in nature.

Some measures adopted were designed to be temporary only. Other plans embodied the hopes that something worth while of a permanent nature would result. The Bourbon Kings of France could learn nothing. Surely we must believe that the tragedies of the depression can point out to us some ways and means of getting rid of existing troubles. Is it not practical to hope also that something could be done to prevent the return of such calamities?

Each successive year demonstrates more and more clearly the fact that the different sections of this country are becoming so closely interwoven with each other that the interest and welfare of one part concerns those of the rest of the country. New York and Baltimore could not be prosperous if the South and West were suffering from general economic distress. Nor would it be possible for the middle and western sections of the country to thrive if business were stagnant in the East. Any plan of trying to handle the frightful problems of the depression and of promoting recovery had in material respects to cover the country as a whole. Plans of a general nature affecting all parts of the country had to be evolved and put into operation. Likewise it was that different sections often required different kinds of treatment.

Almost each industry had its characteristic troubles. For instance, the problem of the farmer was an acute one. Even before the depression had come to us with its terrors and miseries, the condition of the farmer for a number of years had been on a constant decline. This is not the time nor the place to go into a statement of causes for such. The tremendous shrinkage in foreign markets for our farm products, increases in cost of machinery, labor, and taxes were among the many factors which were adding to the cost of operations of the farmer. But the products which he produced had not increased in price. In fact, the prices of wheat, corn, and certain other commodities had dipped to lowest depths. The Republican tariff bill is not of assistance to him. It is injuring him.

Let us consider conditions in Maryland on March 4, 1933, and give special consideration to the remedial measures in our State. All of our banks were closed. Industry of almost every kind was in a state of distress and demoralization. Many thousands of industrious, hard-working people had been deprived of gainful methods of making a living—in many instances for the first time in their lives. They would have starved if something had not been done to supply them with work or food. The plight of those people required immediate consideration and whatever helpful action was then necessary.

Of course, it would have been better if private capital could have supplied such work and relief, but is there anyone who believes that in March 1933 private capital in Maryland could have so handled the situation? The State of Maryland and its local subdivisions had more than their customary financial problems to reckon with and were ill prepared to take on the added burdens which the depression had thrust upon us. Those in high official position, our business and professional men and women, and many people in other walks of life appealed to Washington for relief and assistance. They insisted that immediate assistance was absolutely essential and that the Federal Government alone could

furnish it. Such help was given by Washington in no stinting manner.

Many of our banks and trust companies, basically strong and healthy, were facing storms too severe for them to weather. The Federal Government, through its various agencies, analyzed carefully the condition of these Maryland banks and trust companies. In every instance where the intrinsic worth of such an institution justified support and its assets, though slow in character, yet were sound under normal business standards, the Federal Government loaned that bank or trust company the necessary funds needed for continuing operations.

The giving of insurance by the Federal Government upon deposits in banks was tremendously helpful in the restoration of confidence in our banking structure.

It is significant that when in 1935 the banking bill was before Congress its provisions were considered so far reaching and wise that the bill passed the United States Senate unanimously, and was signed by President Roosevelt with country-wide approval. Does anyone want to repeal that law or the legislation regulating stock exchanges and the issuance of certain kinds of stock certificates and bonds? All of these measures are working satisfactorily in the main.

Many other types of corporations in Maryland received similar help. This was especially true of certain kinds of our insurance companies, such as surety and casualty companies. Baltimore has long been the leading surety and casualty center in the United States. Our companies employed many people, and their operations throughout the country have brought hundreds of millions of dollars to Baltimore. Their continued existence is essential to our welfare. Our most active citizens in public and private life again asked support from Washington for those companies, and that support was freely and wisely given. Is there anyone who believes that our Maryland banks, trust companies, surety and casualty companies should have been allowed to collapse? If not, how else could they have been saved? No one then or now suggests that private capital could have handled the situation. We are forced to the conclusion that many of these financial institutions in Maryland would have failed except for financial assistance given them by the Federal Government.

What has been the result? These financial institutions have fully justified the confidence Washington placed in them. Not a bank, trust company, or insurance company in Maryland has suspended operations during the administration of President Roosevelt and not one given financial support by Washington has failed to show substantial progress toward recovery. Some of these institutions have completely rehabilitated themselves, and every one of them is well on the road to recovery. Never have the business interests in our State been more promptly and effectively served and assisted by the Federal Government than by its successful efforts to save these institutions. Big business in Maryland was helped by Washington as never before.

Would anyone assume that the work of the Federal Government should have stopped there? Not so by any means. The railroads also required and received aid. The needs and problems of the farmer demanded action. Many business corporations or individuals, whether small or large, deserved assistance from Washington. They received it to a noteworthy extent.

The history of our country has been that when measures of unusual and far-reaching character were put into operation, all of them have not stood the test in the courts. That has been especially so during periods of economic and political upheavals. During the administration of President Grant, 12 measures passed by the Republicans were declared unconstitutional by our Supreme Court—7 under Lincoln. For the 12 years immediately prior to Roosevelt's administration, the Republican Party was in charge of our Government. Various acts passed during that period have been held to be unconstitutional by our Supreme Court. The present administration, like other administrations, has accepted the decisions of our Supreme Court as the law of the land. Our Federal Constitution has been amended 21 times. No additional amendment is being suggested to it by President Roosevelt.

The depression brought enforced idleness to many thousands of people in Maryland. Private industry was not able to offer them opportunities of earning a livelihood. What should the city, State, and Federal Government do? That was the harassing problem which faced us. People have never been permitted to starve in our country, and never will they. People may differ as to the relative merits of ordinary relief as contrasted with that afforded by public works, but something had to be done and done immediately. The Federal Government has attempted to do both somewhat simultaneously. It has tried in various ways to find work for men and women on the theory that it is better for the man in the community to work for a living than to live on relief.

It was not possible, however, to find work for all who were on relief. Some people are incapable of working, and for a while suitable opportunities for gainful employment could not be found fast enough for all of the qualified ones. Just now the W. P. A. in Maryland is offering work to every able-bodied, competent person on relief.

A large amount of good, useful work has been found in Maryland for unemployed people. For instance, after the Fifth Regiment Armory was burned, the insurance money and other funds of Maryland available only amounted to about \$650,000. To re-

build and refurnish a much larger additional amount was necessary. The Federal Government contributed over \$300,000 in cash and about \$500,000 in labor through the C. W. A. and W. P. A. We needed the new armory—we have it. If the United States Government had not given over one-half of the cost of the armory, the financial strain upon Maryland in financing all of it at this time would have been exceedingly severe.

Our Baltimore airport and the Howard Street and Fayette Street improvements are among the many wise improvements which we have long sought and which are being made possible by Federal help.

For a hundred years the people of Maryland have been keenly interested in a Chesapeake & Delaware Canal. That old canal clearly needs modernization at this time, and such improvements will prove to be of inestimable value to Maryland shipping. The Federal Government is spending over \$10,000,000 for the enlarging and modernization. Much of the work is being done by men who otherwise would be on relief. When completed the distance between Baltimore and Philadelphia will be reduced by 300 miles, from Baltimore to New York by about 150 miles. Even from Baltimore to Europe the reduction will be approximately 150 miles.

The problems of the Chesapeake Bay have received special consideration and support from President Roosevelt. The commission appointed by me as regional head of the P. W. A. was a very active one under the chairmanship of Dr. Thomas S. Cullen. It cooperated closely with boards of various States and with Federal agencies in making careful surveys and studies of the Chesapeake Bay regions. The support of the Federal Government in improvements of sanitary and other conditions was one of the numerous useful things done by Washington in that section.

Also, Washington has taken a very active part in efforts to restore the oyster beds in the Chesapeake Bay. Last year, for instance, the United States Government paid for 200,000 bushels of shells to be planted on oyster bottoms. It will furnish much larger amounts of oyster shells this year.

Over \$60,000,000 have been allotted or spent in Maryland for P. W. A. projects. A careful analysis of the W. P. A. and the P. W. A. activities in Maryland lead irresistibly to the conclusion that the projects on the whole have been wisely selected and carefully executed. Many of them had been planned for by Maryland or its subdivision for years. The present situation has furnished opportunities for the doing of these jobs. The fact that relief in Maryland and the Public Works, whether W. P. A. or P. W. A., have been handled on the whole on a businesslike, nonpolitical basis, and that the projects themselves have real intrinsic merit, has never been seriously questioned in Maryland. No one can do so with an eye to the facts.

In this connection do not forget that a total of about 26,000 people in Maryland have been taken from relief rolls and given useful work by the W. P. A. and other Federal agencies. I want to take advantage of this opportunity to refer to the fine spirit which so many people on relief have shown when offered positions. They have shown their desire to work for a living, not to live on relief.

The Federal Housing Administration has insured three and a half million dollars of mortgages in Maryland. Also it has guaranteed in the State over 11,000 modernization and repair loans which have been made available to home owners at low rates of interest. These have provided a great stimulus to the very important construction industry. The Farm Credit Administration has made 9,000 loans of various types to our farmers amounting to about \$14,000,000. The Federal land bank has been very helpful.

Many of our building-and-loan associations were hard pressed for cash. The real-estate situation generally was in a very sluggish and depressed condition. The Home Owners' Loan Corporation, the Federal Housing Administration, and various other Federal agencies acted promptly and efficiently. The Government has saved 16,000 Maryland homes from foreclosure, lending \$45,000,000 for that purpose in long-term loans. Does anyone question that that has been a wise and fair thing to do? Incidentally, back real-estate taxes have been collected to a remarkable extent. Through the Home Owners' Loan Corporation the city of Baltimore has collected over \$2,000,000 of such taxes, and the figures for the rest of the State are just as significant.

The R. F. C. has loaned \$125,000,000 to various institutions and businesses in Maryland. Approximately \$75,000,000 of the amount loaned has been repaid.

When the bill extending the life of the R. F. C. and broadening its power came up in the Senate in the Banking and Currency Committee, of which I am a member, not one word of adverse criticism of the R. F. C. was heard in committee or on the floor of the Senate. The bill passed unanimously. It was a remarkable tribute to the R. F. C., one of the largest and most successful organizations, whether public or private, which has ever been known.

The Federal Government has given for relief in our State a sum approximating \$45,000,000 to prevent suffering, starvation, and misery among our destitute, many of whom had been industrious, hard-working citizens of Maryland. Has anyone claimed that the State or city of Baltimore or the counties or private charity could have been able to furnish such a vast sum of money, or even the larger part of it? You remember the difficulty in getting Maryland to raise through its legislature a small fraction of that amount for relief.

The Social Security Act, which doubtless experience will show will need some amendments, will help the old-age and unemployment situation tremendously. Washington believes that the as-

sistance of this measure and the vast improvement in private business will permit the Federal Government to discontinue relief, and that really has been done. The problem can now be handled as a local one from local resources, public and private.

The C. C. C. has afforded work to almost 16,000 young men in Maryland who, through no fault of their own, found the doors of private employment closed to them. The C. C. C. has done useful work on reforestation, highways, drainage, and numerous other worth-while projects. Many of these C. C. C. workers are now being absorbed in private employment. So universal has been the praise of the C. C. C. organization and its results that it is generally conceded that the C. C. C. will become a permanent fixture. About \$14,000,000 has been spent in Maryland for that purpose.

I will not comment further on specific activities. In short, the Federal Government has contributed, by gifts or loans, about \$275,000,000 to Maryland—about the average for the entire country. Have the results been satisfactory in Maryland?

No one expects perfection in public administration. It does not occur in private business and cannot be expected from governmental activities; but you and I, as thoughtful people, want to examine carefully what has been attempted in Maryland by the Federal Government, consider the problems involved, analyze the treatment, and tabulate the returns. The results are significant and convincing. They show that the money loaned or given to Maryland has, on the whole, been wisely spent.

President Roosevelt has made resourceful and highly successful progress in developing foreign trade. A few days ago widespread approval met the announcement of the signing of a treaty of reciprocity with France, following closely upon those with Canada and other countries. These treaties will stimulate foreign trade in a constructive manner. For instance, the treaty with France will benefit greatly the tobacco farmer in southern Maryland. It provides especially for a large increase in the amount of tobacco which France will import from us. Cordell Hull has demonstrated that he is one of the most efficient Secretaries of State in the history of our country. He is one of the very many conscientious and competent officials in the Roosevelt administration.

One of the greatest and most useful achievements of the Roosevelt administration has been its remarkably efficient policy in fighting organized crime. The gangster has been stripped of much of his power. One of the greatest menaces to the peace and welfare of our country was the widespread and hideous power of gangsters working in bands. Those gangsters have been systematically and relentlessly hunted and many of their leaders who are still living are in Federal prisons. What these results have added to the security and self-respect of the American citizen can hardly be overestimated.

It has been said that a man realizes more vividly his own suffering from toothache than the anguish of millions of cholera victims in India. So it is that a man understands most clearly the problems and needs of his own business. Sometime, also, the man or woman who has found his own business rehabilitated may not realize fully that all other industries have not improved to the same extent. During the depression, we in Maryland faced as severe problems as at any time in our history, yet our lot was infinitely preferable to that of many sections of the country. Our progress toward recovery in Maryland has been rapid and sure.

The conditions in many sections of the country have also improved but not all to the same extent as Maryland. The Federal Government can now believe that many of the problems of the depression have been largely solved. Emergency measures may not be needed as in the past. Some have not proved to be entirely satisfactory, but in the main they have served their purpose well.

The people of our country again took heart on March 4, 1933. However, they would have been helpless or distressingly handicapped if the administration in Washington had not been strong, resourceful, and efficient. The Democratic Party was called to power during a grave emergency, the gravest, doubtless, in our history. Never has a party more fully justified the charge which was placed in its hands. A comparison between March 1933 and March 1936 shows the most startling improvements in the history of this country.

Let me give you a few more Maryland figures. From March 1933 to March 1936 employment in manufacturing industries increased over 40 percent, the pay rolls in these industries no less than 90 percent. Farm income on principal products rose 38 percent from 1933 to 1935. In the important building industry, permits for April 1936 show an improvement of 140 percent over last April. The trade of the port of Baltimore has increased 22 percent during the first 4 months of this year as compared with last year. Power production for this section of the country shows a remarkable improvement, and it is interesting to note that it is an improvement even over the 1929-30 average. Almost 20,000 more new automobiles were registered in Maryland in 1935 than in 1933, an increase of 80 percent. Recovery is being indicated on every trade barometer we have, in bank clearings and deposits, in post-office receipts, in carloadings, and number of streetcar riders. This point is so obvious that "he who runs may read" and know that it is true. And this recovery which we have had in Maryland is merely illustrative of what has been going on all over the country.

During the Hoover administration the national debt increased by billions of dollars and constantly larger deficits were piling up. But the efforts of the Republicans to stop the depression proved totally unavailing and conditions in our country went from bad

to worse. In spite of the enormous expenditures of the Federal Government, during the Hoover administration, the depression continued to grow distressingly in intensity.

Since the Democrats took control of the Government in March 1933, the national debt has increased \$10,000,000,000 but satisfactory results have been obtained. The depression has been stopped. A remarkable return toward prosperity has come about. No banks are now failing. The value of stocks and bonds has increased well over \$30,000,000,000. In many instances the prices of stocks are 10 times what they were 4 years ago. The farmers are receiving at least twice as much for their products as they did in 1932. The income of the country is increasing enormously.

The national wealth was estimated at \$247,000,000,000 in 1932 and \$314,000,000,000 in 1935, an increase of \$67,000,000,000.

The Democrats have something to show for their purchase. The value of the results obtained by them vastly exceed any outlay made. The increase in the national debt must be considered in relation to tax-paying power. The country is in a better position to stand its present indebtedness than it was that existing in March 1933.

That is not all of the story. So sure and rapid is the march toward recovery and so great is the increase in our national income that we can stand the additional burden of the national debt with less strain than was the situation in 1933. Furthermore, the rising tide of prosperity brings another hopeful result. That is the fact that many of the measures adopted by the Federal Government to tide us over the depression and to start us on the road to recovery have so well accomplished their purpose that it is likely it will not be necessary to make any substantial increases in our national debt. The balancing of our Budget may be reasonably expected within the near future.

The strain upon us resulting from demoralized conditions of European finances made it necessary for this country to make some changes in our monetary policy. Misgivings arose on the part of some people in regard to them. However, the financial condition today of our country is strong and healthy. The funds raised to fight the depression have made necessary issues of additional bonds by our Government. But these new bonds have been bought by our people at the lowest rates of interest in the history of our country. Also the Government has called many existing bonds and replaced them by new bonds bearing rates of interest much lower than were paid on the old ones. These facts furnish overwhelming and conclusive proof that our country is in a strong financial condition.

In the beginning of my talk I referred to two of the serious problems facing the administration. One was to tide over acute troubles. The second was to promote recovery. In discussion the first point is often overlooked. Much has been said as to whether or not any special measure of the administration has or has not aided recovery. It is just as important to know whether or not it helped to stop the downward movement of the depression and made it possible for us to endure the distressing conditions which afflicted our country. It is to the credit of the administration that it has aided the people to pass through trying times with a minimum of suffering. It is likewise to the glory of the administration that in doing so it has started us on the road to recovery at an ever-increasing degree of momentum.

Our people have shown grit and resourcefulness, but the Democratic Party is entitled to a big part of the credit for the remarkable improvement in business conditions and it will receive it. The Democratic Party has demonstrated that it can meet grave problems and handle them effectively. The Democratic Party could not have solved the problems if it had not been that its leader was a most capable man. The times called for a man of vigor and resourcefulness, vision and ability—a man who would have a plan and would attempt to put it into operation quickly and efficiently. Fortunately for our country such a man came to the White House. Franklin D. Roosevelt has been called upon to meet as severe problems as ever fell to any President in our history. No President has worked harder or more conscientiously or has secured in the main better results. Since Franklin D. Roosevelt took the oath of office as President of these United States, our country has made continuous progress toward recovery. He has fought the good fight. He deserves a reelection and he will get it next November.

Vice President Garner has shown himself to be a wise counselor and a very valuable factor in the administration. Probably no other Vice President in the history of our country has been more vigorous, influential, and efficient.

Our Maryland Congressmen—Goldsborough, Cole, Palmisano, Kennedy, Gambrill, and Lewis—have played their parts well and fully deserve reelection. Let us give our entire ticket our wholehearted support and see to it that next November every one of our candidates is continued in the office which he now fills so ably.

ACTIVITIES OF WORKS PROGRESS ADMINISTRATION

Mr. DAVIS. Mr. President, for many weeks and at various times I have urged a thoroughgoing and impartial investigation of the Works Progress Administration. No action has been taken. In view of the continued silence on the part of those whose work and program are now being questioned, I am impelled once more to call attention of Mr. Harry Hopkins, in the only manner now available to me, to the use of Federal funds for the spread of communistic propaganda.

I ask unanimous consent to have printed in the RECORD an editorial in the May 23 issue of Liberty entitled "Inciting to Riot", which I believe will be of interest to an increasingly large number of people.

Is it a mere coincidence that the directress of the Federal theater project who is the authoress of Can You Hear Their Voices? is now using taxpayers' money to stage Triple A Plowed Under in which outstanding representatives of the Communist Party are held up before the eyes of the American public for admiration while the heroic figures of Washington, Jackson, Jefferson, and Lincoln are ignored?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Liberty of May 23, 1936]

INCITING TO RIOT

Strange things are happening in this country of ours. And the climax of dangerous experiment has surely been reached in the Federal theater project, which presents a Communist propaganda play financed by the United States Government.

The thing surpasses belief, but there it is: the red, white, and blue official emblem, U. S. A. Work Program, W. P. A., on the doors of the Biltmore Theater, in New York City, while the drama of hate unfolds within.

We must admire the skill and cheek of the fellows who are working this racket. Their comrades, who are crudely rioting in the W. P. A. headquarters building are amateurs. Mr. Victor F. Ridder, the administrator, promptly issued nightsticks, had their heads cracked, and spoke out in meeting about it. Before the New York Rotary Club at the Commodore Hotel he said recently: "We try to be rough. We are rough. And we are going to be rougher. I am an old-fashioned American. We are not going to stand around and let these cheap rats of agitators fasten their name and tag of vermin on our workers. If there is anything I really want to earn, it is the undying hatred of this crowd of cheap Communists."

Brave words from an official of the national administration in these sad confusing days. For the same people are in the Biltmore Theater, not very far from Mr. Ridder's office, inciting thousands to renewed violence—with American taxpayers' money!

We must get out of our heads, once and for all time, the idea that the Communists in America are a political party. They are nothing of the kind. They are a revolutionary junta working day and night to overthrow our society and Government—not by ballots but by a bloody uprising of an armed minority in an hour of crisis. To print their ballots out of public funds is a crime against law and order. It should be stopped. In more than one European country it is now a felony to preach communism or to join one of its "cells." It should be so here.

For they would not only smash our business world, they would destroy the church, the home, our liberties and our ideals, and blot the name of God from human speech. And on the ruins of it all they would build a great hogpen with a common slop trough. They would give us equality—yes!—and there would be no more unemployment. Of course not! All men and women would be compelled to work, under the lash of a Soviet overseer. Millions of slaves driven by a little group of masters.

History has no habits save the single one of repeating itself. This inexorable fact is worth remembering in the light of what happened 150 years ago in the theater. Pierre Augustin Caron, who assumed the name of Beaumarchais, produced in the Théâtre Français an apparently innocent sequel to his earlier play, the Barber of Seville. It was called the Marriage of Figaro.

Beaumarchais, who had been confidentially employed by Louis XV and later by Louis XVI, previously had been invited to give a command performance in the Petit Trianon. Neither his royal patron nor Marie Antoinette recognized themselves as being lampooned. Later audiences in the Théâtre Français immediately sensed the inflammatory call to revolution. In the words of a subsequent historian: "Beaumarchais wished to fire a squib and he exploded a magazine." It was a spark which helped set France on fire—a conflagration that on January 21, 1793, cost Louis his head. Marie died under the same guillotine on October 16.

The astounding play at the Biltmore, Triple A Plowed Under, is done with skill and dramatic power. Its words are a mere smear of cheap sentiment, but the purpose of the dramatist must be found in the final emotions stirred in the minds of the audience.

In this case nothing is left to chance for any misunderstanding. Mr. Earl Browder, secretary of the Communist Party in America, is impersonated as one of the heroic characters of the play, making the climactic speech denouncing the Supreme Court of the United States. From start to finish, the method used by the dramatist is to stir the ugliest passions of the poor against the rich and destroy the foundations of private property. In the grand finale we are all urged to join the so-called Communist-Farmer-Labor Party. The play is beautifully and artistically mounted and acted—with money from the United States Treasury!

We stand before the spectacle amazed and confused. At the Port of Authority Building on Eighth Avenue, Mr. Ridder's guards are ordered to crack the heads of Communist rioters. Farther uptown, in a Federal project theater, Communists are inciting the

people to riot—financed by the same Government that is cracking their heads at W. P. A. headquarters.

With increasing wonder we ask how it is that our Relief Administration is infested with thousands of these crack-brained theorists who are grabbing salaries with one hand while they distribute their calls to violence with the other. Surely it is time to get out our rat traps and delousing machinery.

It is inconceivable that the President should knowingly be a party to these infamies.

We modestly inquire, then: Who is really running this country? Certainly Congress should begin at once an investigation that will uncover the mysterious high official somewhere in the shadows of Washington who is responsible for the present activities of Communists in our Government service.

BERNARD MACFADDEN.

INSTRUCTIONS FOR PAYMENT OF ADJUSTED-SERVICE BONDS

Mr. PITTMAN. Mr. President, I ask unanimous consent to have printed in the Record an article from the Postal Bulletin of May 25, 1936, relative to arrangements for the payment of adjusted-service bonds.

There being no objection, the article was ordered to be printed in the Record, as follows:

LATEST BONUS INFORMATION

[From the Postal Bulletin of May 25, 1936]

ADJUSTED-SERVICE BONDS

OFFICE OF THE POSTMASTER GENERAL,

Washington, May 22, 1936.

Postmasters and all postal employees concerned are enjoined to read the following instructions relative to the delivery, certification, and payment of adjusted-service bonds.

INSTRUCTIONS

1. Post offices are divided into three classes for the purpose of handling the adjusted-service bonds for veterans.

2. The 59 offices designated as central United States savings bond depository offices will pay adjusted-service bonds certified at their respective offices, and will also pay such bonds received from district offices.

3. There will be 182 offices which will pay only the bonds certified at their respective offices.

4. All other post offices will be considered district offices and will forward bonds certified by them to their central United States savings bond depository offices for payment.

5. Specific detailed instructions have been sent to the 241 paying offices with the checks and necessary supplies.

6. A list of the central United States savings bond depository offices appears elsewhere in this Postal Bulletin, with the territory assigned to each, designating the one to which postmasters in the respective districts will transmit certified bonds for payment.

7. The nonpaying offices are concerned in five major features, as follows:

- (1) Receipt of registered letters.
- (2) Delivery of registered letters.
- (3) Certification of request for payment.
- (4) Transmitting the bonds to paying postmasters for payment.
- (5) Proper report of expenditures in connection with the additional work involved (first- and second-class offices only).

Receipt of registered letters

8. The bonds in question will be dispatched on June 15, 1936, from 12 post offices, namely, Boston, Mass., New York, N. Y., Philadelphia, Pa., Cleveland, Ohio, Atlanta, Ga., Chicago, Ill., St. Louis, Mo., Minneapolis, Minn., Kansas City, Mo., Dallas, Tex., San Francisco, Calif., and Washington, D. C. The date of receipt in your office will depend on the transit time between the mailing office and your city.

9. Postmasters at all post offices to which the registered letters containing the adjusted-service bonds will be sent are advised that the envelopes containing the bonds will not bear any postage stamps or permit indicia as a special arrangement has been made for the payment of any required charges on these registered letters mailed out by the regional disbursing officers of the Treasury Department and the Treasury Department at Washington.

Delivery of registered letters

10. These registered letters will be marked for delivery to addressee only.

11. Regardless of the fact that the registered letters may be addressed in care of a person or institution, delivery shall be made to addressee only. They must not be forwarded to other offices. If undelivered by reason of death or removal to another office the letter is to be returned to the sender immediately, the reason for return being shown in the space provided on the reverse side of the envelope, as well as the new address, if known. If undelivered for other reasons, they are to be returned to the senders at the expiration of 30 days with the reason shown on the envelope. If the letter is delivered to a local address other than that originally shown, the new address shall be placed on form 3849.

12. The time of delivery at your office will depend upon the transit time from the office of mailing and the necessary time required for distribution to carrier routes after the registered letters are received. Delivery shall be made promptly.

13. When the date of delivery is fixed, wide publicity should be given through the press and radio, and through veteran, fra-

ternal, labor, and civic organizations and any other method which the postmaster believes will be of benefit, it being understood that such publicity will be obtained without cost.

14. The publicity as it relates to delivery should be along the lines that the registered letters will be delivered to addressees only and that the addressees should be at home to receive them, prepared to furnish suitable identification to the carrier, such identification to be made by a person known to the carrier.

15. Carriers will use proper means of identification in delivery of these registered letters, but it is thought that the carrier should go out of his way with a view to effecting delivery, if at all possible, by securing someone in the neighborhood whom he knows can identify the addressee. Of course, where the addressee is known to the carrier, no other identification is necessary.

16. The identifying person should also sign the registry receipt, form 3849, and enter thereon his address. Every effort possible should be used to effect delivery by carriers for the reason that ordinarily they can secure identification much more readily than window clerks. Prior to the date of delivery, specific instructions should be issued to all carriers concerning the necessity of effecting delivery on the routes.

17. It is probable that all registered letters will not be ready for mailing by the Treasury Department on June 15, and veterans making inquiry should be advised that delivery will be made as soon as received.

18. Form 3849, covering the delivery of these bonds, should be kept in a separate file. The original registry number will be used for delivery purposes and, in offices where the inward number is in use, it shall be disregarded in the handling of these registered letters.

19. In recording these registered letters, the prefix "A" shall be recorded as part of the registration number.

20. These registered letters shall be delivered by rural carriers under existing regulations and to addressees only. Delivery must not be made by star-route carriers, but the usual registry notices shall be mailed to the addressees in official envelopes.

21. Each registered letter is accompanied by a registry return receipt which shall be properly signed, dated, postmarked, and promptly mailed to the senders.

22. Where reference is made to form 3849 in the foregoing, the instructions shall apply to window delivery books where such records are in use.

Certification of requests for payment

23. Adjusted-service bonds may be redeemed on and after June 15, 1936. Although they earn simple interest at the rate of 3 percent per annum, no interest is payable on any bonds redeemed prior to June 15, 1937.

24. Veterans who desire to cash their bonds must sign the request for payment on the back of the bonds in the presence of a certifying officer. All postmasters, acting postmasters, and post-office inspectors in charge of post offices, throughout the United States, including Alaska, Guam, Hawaii, Puerto Rico, Samoa, and the Virgin Islands, are authorized to act as certifying officers and may designate any official or regular employee of the post office to act in that capacity. If such designated official or employee certifies to a request for payment, he shall certify in his own name. The signature of the certifying officer must be followed by his official designation; such as, postmaster, assistant postmaster, superintendent of mails, foreman, or designated clerk.

25. Certifying officers will be held responsible for positive identification of the person requesting payment as the one whose name appears on the face of the bond. If the veteran is personally known to the postmaster or designated employee, witnesses are not necessary. If he is not known, one or two witnesses who know the veteran and who are known to the certifying officer must sign the bond in the space provided, with their addresses, in the presence of the certifying officer. Space is also provided on the bond for taking fingerprint impressions in exceptional cases. Postmasters or designated employees must certify to the request for payment of properly identified owners. All certificates at post offices must bear a legible imprint of the post-office dating stamp. The postmarking, M. O. B., or registry stamp may be used for this purpose. Each bond must also be canceled with a punch where a punch has been furnished. The punch perforations must be confined to the space indicated on the back of the bond.

26. The owner must sign the request for payment exactly as his name appears on the face of the bond and must write his address on each bond in the space provided. For example, if the name appears on the face of the bond as "George Washington Jones", the signature should read accordingly, and not "G. W. Jones" or "George W. Jones." Signatures must be in ink or indelible pencil. The owner shall not be required to sign the receipt in the lower left corner on the back of the bond.

27. When bonds have been accepted for payment, the owner shall be given an interim receipt on form ASB-1, which shall be prepared in accordance with the instructions on the form. The complete serial number of each bond shall be recorded on the interim receipt.

28. The certification of the bonds will provide a major problem in that sufficient employees for the certification must be available and adequate space provided to accommodate the number of veterans and witnesses who may call at one time. Facilities for certification should be provided immediately following the delivery of the bonds, and the advance publicity should indicate to the veterans where the certification is to be made. It is incumbent upon postmasters to arrange for this certification so as to prevent congestion at post offices and to eliminate complaint.

29. Postmasters will find veteran organizations and other civic organizations interested and willing to render all assistance possible. The use of outside quarters for certification can no doubt be obtained without cost if necessary during the heavy period. Postmasters will also make use of post-office quarters after business hours and utilize every possible means for prompt handling of the certifications. In classified offices, temporary employees should not be designated as certifying officers. Any regular employee may be designated.

30. No person authorized to certify a request for payment may certify a request signed by himself either in his own right or in any representative capacity. Postmasters are not authorized to certify for payment bonds presented by others than the registered owner whose name is inscribed on the face of the bond. In case of death or incompetence of the registered owner, the person presenting the bonds should be instructed to secure information as to the cashing of the bonds from the Treasury Department, Division of Loans and Currency, Washington, D. C.

31. Bonds may be certified by agencies outside of the Postal Service. (See Treasury Department Circular No. 560, copies of which will be furnished to all postmasters.) Postmasters are not authorized to accept bonds which have been certified by any agency outside of the Postal Service. The owner should transmit such bonds, at his own risk and expense, preferably by registered mail, to the Treasurer of the United States, Washington, D. C. Postage and registry fee (and any required surcharge) will be chargeable on registered mailings of bonds sent by the owners. Postmasters may consider that the estimated cost of duplication of adjusted-service bonds will be the same as the cost of duplication of United States savings bonds as set forth in the notice published on pages 16 and 17 of the April 1936 Supplement to the Postal Guide, under the caption "Postage, registry fee, and surcharge on United States savings bonds." It should be suggested to the holder of bonds who sends them direct to the Treasury Department by registered mail that he pay a registry fee, in addition to the required postage, sufficient to provide indemnity, in case of loss, to cover the full cost of duplicating the bonds.

Transmitting bonds to paying office

32. There shall be no cash payments in any post office of adjusted-service bonds. Payments shall be made only by special Treasury Department checks supplied to the 241 designated paying offices. Each postmaster will inform himself as to the central United States savings bond depository designated as the office to which he is to transmit bonds certified by him. A list of these offices appears elsewhere in this bulletin.

33. All bonds surrendered for payment of nonpaying offices shall be transmitted daily to their respective central United States savings bond depository offices for the issuance of Treasury checks.

34. The bonds sent to the central United States savings bond depository shall be sent by registered mail in envelopes especially provided for the purpose (ASB-7-a for third- and fourth-class offices; ASB-7-b for second-class offices; ASB-7-c for first-class offices.) The bonds contained in these registered letters shall be accompanied by the original invoice form ASB-2 (ASB-2-A when the description for contents cannot be confined to ASB-2).

35. Paying postmasters shall return to the transmitting postmasters, by registered mail, all bonds whereon the request of payment or the certification is incorrect or incomplete. A check shall be issued for the amount of properly completed bonds, and the owner shall be advised by note enclosed with the check as to why the check transmitted does not cover the full amount. The transmitting postmaster to whom the bond or bonds are returned because of any irregularity shall resubmit the bond or bonds when properly completed, accompanied by a letter of transmittal, to the paying postmaster, by registered mail. If such bonds are included with the shipment of bonds transmitted that day for payment, they shall not be again described on form ASB-2, but shall be enclosed in an envelope plainly marked to indicate that it contains bonds previously submitted which were returned for correction.

36. Upon receipt of bonds from a nonpaying office, the paying office will check the bonds with the accompanying invoices and transmit to the nonpaying office a receipt on form ASB-3, using envelope form ASB-8 for the purpose. The paying office will mail the check direct to the veteran at the address furnished by him on the back of the surrendered bonds. The check will be sent as ordinary mail in an envelope to be furnished for the purpose (form ASB-9), which will bear no endorsement requiring restricted delivery.

Advance payment of postage and registry fee not required—Dispatch of certified bonds to paying offices—Statistics

37. No postage or registry fees will be collected by the postmaster at the office of mailing on mailings of bonds to the central United States savings bond depository office. As far as practicable, without missing available dispatches, all bonds transmitted to the central United States savings bond depository office in any one day shall be enclosed in one envelope or wrapper. The registered letter or parcel containing the bonds is to be entered on the registration records in the regular series of registration numbers and the records shall show the postmaster as the sender of the registered article. The registration receipts and office records of the articles shall be marked "ASB" to indicate the reason for acceptance without the payment of postage and registry fee. The registered articles referred to shall be included by the mailing postmasters with the 15-cent paid registrations of their offices when rendering their Annual Registry Statistical Report.

Postmasters shall not be absent from their post offices during the heavy period of work in connection with the handling of these adjusted-service bonds, and it will be necessary for all employees to be on duty during this period. Postmasters at first- and second-class offices, see letter from First Assistant Postmaster General dated May 18, 1936, relative to leave of employees.

JAMES A. FARLEY,
Postmaster General.

THE GUFFEY ACT—EDITORIAL FROM CHARLESTON GAZETTE

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial published in the Charleston Gazette of yesterday entitled "The Guffey Act."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Charleston (W. Va.) Gazette of May 24, 1936]

THE GUFFEY ACT

A year ago, come August, Congress was considering the Guffey bill, which then had been discussed for weeks and months in both Houses of Congress, in the press, and among coal operators and their employees, as well as by businessmen generally. It was then announced that the objections which had been raised against the bill had been smoothed out and that the demand for legislation to save the coal business from the standpoint of both investors and labor could be granted without any reflection on the honor of the Congress. Very soon thereafter the bill was passed and was approved by the President, and the latter proceeded to make the executive appointments required by the bill and necessary to carry out the purposes of the legislation. Very soon thereafter suits were instituted which attacked the constitutionality of the legislation. With few exceptions the bill was accepted by the producing end of the coal business and by all labor, with encouraging results.

Those few exceptions finally brought the matter to the attention of the Supreme Court of the United States in a suit, and the Court, after holding back its decision for quite a long while, finally held the act to be unconstitutional and consigned it to the judicial morgue. The vote of the nine members of the Court was on its face, six to put the law into a coffin and three to treat it as a law as provided in section 7, article 1, of the Constitution.

Since the President is sworn to "take care that the laws be faithfully executed" (art. 2, sec. 3) he proceeded to treat this bill, which had been passed by both branches of the Congress, in manner and form as provided by the Constitution (sec. 7, art. 1) as a law. He could not wait on the Court 1 or 3 or 5 years, nor as was done in the Dred Scott decision, 37 years after the legislative action, to put into effect the machinery for administration provided by this legislative act.

Now six of the judges come, albeit that one of the judges hesitated and gave an excuse for his action which ought to have been incorporated with the action of the three in minority, broke up the Executive machinery and put the mammoth coal business—yes; the fuel business of the United States—back into the condition quo ante which was chaotic. We have received communications from the laboring people, which taken in connection with knowledge, that is everybody's, that leaves little room to doubt that they who go down into mines where there is danger and death, want legislation and they are disappointed that the Supreme Court has again exhibited to the country the danger that lurks in the effort of the Congress and the decisions of the Court to construe the "unwritten part" of our "written Constitution."

We had always understood that where there is doubt of the constitutionality of the act of Congress, then the doubt must be resolved in favor of the constitutionality of the enactment. In other words, since the assumed power of the Court appears nowhere in the grants of power to the judiciary, and since the reasons for enacting the law are entirely within the breast of the legislative department, and the assumed right of the Court to nullify the act of a coordinate branch of the Government, to which has been granted "all legislative power" is still debatable, the nullification of an act of the legislature is conceded to be the most solemn function of the Government. As Senator NORRIS put it in his usual Lincolnian and Benjamin Franklin way, "Where the judges disagree, then the certainty that must proceed the nullification of the act of Congress is bound to be absent." We do not pretend to quote Senator NORRIS's exact words, but we believe that we have stated the substance of his position as stated on the floor of the Senate. With his terse statement as a text, we submit that where the Court itself has three of its learned members in favor of maintaining the constitutionality of the act and the Chief Justice himself, one of the six, expresses doubt upon one of the essential features of the opinion which goes out as the majority opinion, one is not bold in asserting that the res ipsa suggests doubt.

The situation which now confronts the Congress and the President who approved the Guffey law finds in judicial limbo, the old doctrine that in order to set aside the act of the legislature there must be no doubt in the minds of the judges. Since the Court in the A. A. A. case went outside of the record, and held, in effect, that agriculture, no matter what its demands and necessities may be, is exclusively a matter for the States, it is hard for the newspaper editor to get away from the impression that the Supreme

Court proposes now to put labor in the same category and put all production which comes from the joint action of capital and labor into that uncertain judicial "no man's land" called the "reserved power" of the States.

We have heretofore tried to show, as did counsel in the current cases, that such a position cannot stand permanently as the law of the land, much less the supreme law of the land. The dust storms of the West which carry the rich surface soil from one State to another, do not recognize any such judicial interpretation. Irrigation, water power, and navigation, which are a part of labor's heritage as they are the hope and reliance of the farmer, come from the hills, the creeks, and the rivers, which do not stop at State lines. The food and clothing of the people as well as their fuel, cannot be dealt with comprehensively or effectively by the States. The recent floods have shown that the laws of nature do not recognize geographical lines any more than they do political promises and purposes.

The West Virginia coal business is affected both at the point of production and in the markets by other coal fields in other States. How often that has been gone over in congressional investigations and judicial inquiries.

The situation exemplifies the business chaos of horrors that will wound labor and business if it be true that the Constitution is whatever the court may declare it to be. But, until Congress exercises the power given it by the Constitution to regulate the appellate power of the Supreme Court and to make such exceptions as the Congress may see fit, we must deal with the situation as the Supreme Court has said it is.

This heaven-favored, rich State of West Virginia, with its oil and gas, needs to use, as domestic fuel, very little of its coal. At least 90 percent of its coal would not be mined but for the markets beyond the State's lines. Its high carbon-coking coal, underlying a small (comparatively speaking) part of its coal area, is practically indispensable to many of the branches of the country's industry. The Norfolk & Western, the Chesapeake & Ohio and the Virginian Railways, bisect this coal, which constitutes a major part of their freight tonnage. Our domestic and gas coals bear the same relation to the B. & O., and the New York Central Railroads.

Our coal business from mine to home, is about as large as that of raising peacocks for their tail feathers.

It is too plain for discussion that our railroad development and our modern mine equipment had in contemplation interstate commerce.

But there is still the bigger question: Shall the millions invested in coal be told that Congress has no power to help the coal business to realize a fair profit in the production of coal?

Shall labor be relegated to the States which produce coal for the security of a fair wage?

Shall labor be told, as was the farmer, that he is the victim of the failure of his ancestors to define States' rights, and the omission to insert in the Constitution some "nots" that would prevent the courts from holding the business of the country over the hell of uncertainty and technical differentiation, by a horse-hair?

REGULATION OF COMMODITY EXCHANGES

The Senate resumed the consideration of the bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes.

The VICE PRESIDENT. The question before the Senate is on the first amendment offered by the Senator from Washington [Mr. SCHWELLENBACH] to the amendment offered by the Senator from South Carolina [Mr. SMITH].

Mr. SMITH obtained the floor.

Mr. SCHWELLENBACH. Mr. President—

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Washington?

Mr. SMITH. I yield.

Mr. SCHWELLENBACH. The first amendment, the one on line 7, proposing to substitute the words "a commodity" for the word "cotton", I desire to withdraw.

Mr. SMITH. I hope that the Members of the Senate have been furnished with the new print that shows the original bill with the proposed amendments, so that Senators may have the context as well as the amendments thereto. Has the Senator from Washington a copy of that print of the bill?

Mr. SCHWELLENBACH. I have.

Mr. SMITH. On page 9 of the reprint the amendment appears, and I think it would be better for us to refer to that print. The amendment of the Senator from Washington would come in on line 17, page 9, after the words "a like quantity of", to strike out "cotton" and insert the words "a commodity." That, as I understand, is the amendment of the Senator from Washington to my amendment.

Mr. SCHWELLENBACH. Mr. President, after consultation with the Department by the Senator from Idaho and myself, we feel that that amendment would not be advisable so far as grain is concerned. I therefore withdraw that amendment, but I do not withdraw the other amendment proposing to strike out the words "crossing and" on line 18.

Mr. SMITH. Mr. President, as the Senate will have to vote on this question, I wish to say, if there are any Senators who may not be thoroughly familiar with the terms used on the exchanges, that it is impossible for a broker, either on a grain exchange or a cotton exchange, to execute a buying and a selling order without it being called a "cross" sale. The terminology used in this bill was unfortunate. By turning to page 10 of the reprint of the bill there will be found subdivision (A), under which are prohibited and declared to be unlawful "wash sales." Everyone who is familiar with the markets knows exactly what a "wash sale" is. It is a pure, unadulterated fraud.

"Cross trade", or "accommodation trade", or is a fictitious sale.

Mr. President, a "cross sale" is of the nature of what was described and debated yesterday. A broker receives an order for October wheat or October cotton. He receives simultaneously an order to sell and an order to buy. He offers them simultaneously. Under this amendment that is a cross sale, a sale involving an order to buy and an order to sell at the same time. It is provided in the amendment that nothing therein contained shall prohibit a broker from executing such sales open and aboveboard on the floor and having them recorded, so that his customers may know that in good faith he sold for A and bought for B at the market, no matter at what the market may be quoted in that particular month. The terminology here used is unfortunate.

Mr. POPE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DUFFY in the chair). Does the Senator from South Carolina yield to the Senator from Idaho?

Mr. SMITH. I yield.

Mr. POPE. As the Senator understands, is a "cross sale" as he uses the term the same as a "cross trade"? A "cross sale" and a "cross trade" are the same thing, are they not?

Mr. SMITH. I do not know what terminology may be used, but a cross-execution is what I have described. It may be a cross trade. A broker may have an order to sell and an order to buy, and he may simply pocket the order to sell and execute the order to buy and execute the order to sell to the party who bought. My amendment would provide that that can be done in the office or with himself or with anybody, but that the broker must then take the orders and go on the floor and have them duly recorded as a purchase and a sale simultaneously.

Mr. POPE. Since the term "cross trade" was used, as the Senator indicates on page 10 of the new print of the bill, I asked the Grain Futures Administration, who are very familiar with these terms, to give me a definition of the term "cross trade." This is their definition:

Cross trades are fictitious trades recorded and cleared through the exchange clearing house as real trades. They are a device commonly employed by floor brokers for the coming buyers in respect to selling orders of customers and vice versa. They take the form of a recorded double purchase and sale between two brokers. Each broker is recorded as having bought from and sold to the other the same quantity of the same future at the same price.

That is the definition which the Grain Futures Administration gave of the term which is used in the bill.

Mr. SMITH. To my mind that is not applicable to the purpose of the amendment, because the amendment not only defines a cross sale, but specifies how it shall be made and where it shall be made. In other words, if it is not allowed, then the broker has to be a bear one day and a bull the next day because he does not dare, under this definition, to receive simultaneous orders for a given amount to be bought and to be sold, and execute both of them. It is a cross sale. That is what is meant. If there is a cross trade, then we get down to what is known as "bucketing", or, worse than that, the broker utilizing himself as the purchaser or salesman of his

client's business, whereas under the amendment in the event a broker should receive orders in an active market for the same quantity to be disposed of at the market, all he could do, if he were honest and fair, even without the law, would be to indicate to his representative in the pit, or himself if he is active on the floor, that the orders are to be taken and executed at once. If that is not to be allowed, but is to be prohibited, we are putting him into a position to do the identical thing the law is trying to make unlawful.

I know there is a determination on the part of some, no matter how righteous and how fair any of the Smith amendments may be, to defeat them. The evidence of that is visible all about me. There is not a Senator here who does not know that this amendment proposes to do nothing more nor less than to require the broker, if he is going to buy and sell simultaneously, to offer those orders at the market.

Mr. PITTMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nevada?

Mr. SMITH. I yield.

Mr. PITTMAN. As I understood the Senator from Idaho [Mr. POPE] yesterday, he said the definition of a "cross trade" does not include the character of transaction to which the Senator from South Carolina is now referring. It seems to me, if that be true, that the Senator from South Carolina could preserve his provision against cross trading by the express language here used, that cross trading shall not include the character of transaction he is urging, since it is proposed to strike out the words "crossing and" as suggested by the Senator from Washington [Mr. SCHWELLENBACH].

Mr. SMITH. If those words be stricken out, then under the terminology of the bill we have put the broker in a position where he cannot execute a buying order and a selling order simultaneously.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. McKELLAR. When the broker receives a cross order why cannot he go on the market and either buy or sell or do both, provided he buys at the market price and sells at the market price?

Mr. SMITH. But that is a cross sale. It cannot be avoided.

Mr. POPE. Mr. President, will the Senator yield again?

Mr. SMITH. Certainly.

Mr. POPE. A cross sale is not prohibited under the terms of the bill. It is cross trading as defined by me a few minutes ago. That is the only thing that would be prohibited. As I said yesterday, in my opinion, the sort of transaction included in the Senators' amendment is not prohibited by the bill as it stands without the amendment.

Mr. SMITH. All the trade would understand and the courts would so construe the term as used on the different exchanges, that a cross sale or a cross trade, if you please, has been known ever since exchanges existed as a buying order and a selling order. The complaint made is that some broker will get an order to buy and an order to sell simultaneously, and if he is inclined to favor one client as against another he may use the selling order, if he wants to depress the market, and hold the other for a reasonable time and then execute the other order.

The amendment which I have proposed would provide that he shall not do that; that if he has an order to buy and an order to sell he must execute them simultaneously and get away from the idea that he can withhold one order and execute the other. It seems to me it is so very patent that it does not really need discussion.

The contention was made yesterday that it was going to let in all sorts of bucketing. It is prohibitive of that practice.

Mr. McKELLAR. Mr. President, did not the Senate on yesterday order, and did not the Senator from South Carolina agree, that the words "then fair", in line 19, page 9, be stricken out?

Mr. SMITH. Yes.

Mr. McKELLAR. I see they are in again.

Mr. SMITH. The amendment went over. They were stricken out, and through some misapprehension they appear here.

Mr. McKELLAR. But were not the words "crossing and" stricken out, too; or was I mistaken about that?

Mr. SMITH. No; that amendment was pending.

I desire to explain the use of the word "fair." It is a pity that the markets are so technical and refined that the words we use here do not mean very much to those who are not familiar with them.

Assume that I get an order to buy and sell October. All of you know that October may for an hour be inactive, not a sale made—that is, no record at all is being made—but December is very active, and the last quotation December was 20 points on October. That is a dollar a bale higher. December may be declining or rising; and the word "fair" was used there so that if the broker wanted a quick execution he would sell October and report to his client that he had sold October at the price discounted or premiumized by the difference between December and October. I thought myself, however, after going over the matter, that he should be allowed to wait until October did become active and then sell at the market, so I agreed to have the word "fair" go out. A great many brokers desire to execute their orders; and when a broker has a sale, and a patron wishes it executed in a certain month, if that month happens to be inactive, the broker hates to delay for fear his patron may think he is engaged in some sinister business. That was the reason why I said the order should be executed at a fair price as measured with the active month that it is compared with, like December and October.

Mr. SCHWELLENBACH. Mr. President—

Mr. SMITH. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. I feel that the amendment I proposed does not have as its purpose defeating the amendment offered by the Senator from South Carolina. I think if it were adopted, the original amendment would have exactly the same result, and it would remove the possibility of criticism.

We have said that cross trading in certain transactions is unlawful. Then there is a proviso that nothing in this section or any other section shall be construed to prevent, where orders are received simultaneously in the same amount, the execution of those orders. If we leave out the words "crossing and", the provision will read:

Nothing in this section or in any other section of this Act shall be construed to prevent a futures commission merchant or floor broker who shall have in hand, simultaneously, buying and selling orders at the market for different principals for a like quantity of cotton for future delivery in the same month, from executing such buying and selling orders.

Mr. SMITH. So far as I am concerned, I should be perfectly willing to accept that amendment if it were not for the fact that if I should execute a buying and selling order, some fellow might report me for a cross trade.

Mr. SCHWELLENBACH. Yes, but under this amendment it would be construed that that was not a cross trade. We have declared in the pending bill that cross trading is unlawful; but we say that under these circumstances there is nothing in this measure which will prevent a person who receives simultaneous orders for execution in the same month from executing them.

Mr. SMITH. That may be all right.

Mr. SCHWELLENBACH. If the words "crossing and" were left in, it seems to me the provision would mean that in those particular cases where orders are received simultaneously for the same month, cross trades are permitted. The words "crossing and" add nothing to the contention of the Senator from South Carolina, but if they should be left in they might be construed to negative the provision which makes cross trading unlawful.

Mr. SMITH. No; my idea was just to limit it to that particular thing. I do not know but that it may be all right to amend the bill by striking out those words. I wish to have it understood that the word "fair" is stricken out.

Mr. McKELLAR. The two words "then fair."

Mr. SMITH. Yes. As I have explained to the Senate, the reason why I put in those words is very obvious—because very often a broker gets an order for a month that is not active for an hour or more. There are no quotations at all; and then, as soon as the market opens, the broker can execute his sales. But if that word does give rise to a rather sinister idea in the minds of my colleagues, I am perfectly willing to have it go out, though that course will retard the execution of a great many contracts.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. SCHWELLENBACH] to the amendment offered by the Senator from South Carolina, to strike out the words "crossing and" on page 2, line 2.

The amendment to the amendment was agreed to.

Mr. SCHWELLENBACH. The same words appear twice. Which print is being used?

Mr. SMITH. Let us use a uniform print.

The PRESIDING OFFICER. The words appear on page 9, line 20, of the new print. The clerks are using the old print.

Mr. McKELLAR. Let it be understood that the words "then fair", in line 19, page 9, have already been stricken out. They were stricken out by order of the Senate last night.

The PRESIDING OFFICER. The Chair understands that that was agreed to yesterday.

Mr. SMITH. Yes; they were stricken out last night.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from South Carolina, as amended.

The amendment, as amended, was agreed to.

WHITMAN NATIONAL MONUMENT

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 7736) to provide for the establishment of the Whitman National Monument, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WAGNER. I move that the Senate insist on its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MURRAY, Mr. BENSON, and Mr. NYE conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WILSON of Louisiana, Mr. WHITTINGTON, Mr. GRISWOLD, Mr. RICH, and Mr. ENGLEBRIGHT were appointed managers on the part of the House at the conference.

The message informed the Senate that the Speaker had appointed Mr. DOUGHTON, Mr. VINSON of Kentucky, and Mr. REED of New York additional managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 3118. An act to provide for the creation of the Perry's Victory and International Peace Memorial National Monument, on Put in Bay, South Bass Island, in the State of Ohio, and for other purposes;

S. 4023. An act to provide for the continuation of trading in unlisted securities upon national securities exchanges, for the registration of over-the-counter brokers and dealers, for the filing of current information and periodic reports by issuers, and for other purposes; and

S. 4448. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the issuance of the charter to the city of Lynchburg, Va.

REGULATION OF COMMODITY EXCHANGES

The Senate resumed the consideration of the bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes.

Mr. POPE. Mr. President, I offer an amendment to section 3 of the bill, which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Idaho will be stated.

The LEGISLATIVE CLERK. On page 2, line 10, after the words "mill feeds", it is proposed to insert "and Solanum tuberosum (Irish potato)."

Mr. POPE. Mr. President, I will say that that amendment was submitted to the committee as a whole informally, and was unanimously approved. So far as I know, there is no objection to it. It includes potatoes as one of the commodities in this bill.

Under the trading which now exists in the mercantile exchange in Chicago, only Idaho potatoes are affected. There are only contracts provided for dealing in futures in Idaho potatoes. The amendment does not affect Maine potatoes, or North Carolina potatoes, or Michigan potatoes, or any other, because they are not traded in in futures; but with respect to Idaho potatoes there is a very considerable trade in future contracts, and the best informed people in my State are of the opinion that they have a depressing effect upon the market. Therefore the people of my State desire to have this amendment included. I have in my hand a statement from Dr. J. W. T. Duvel, Chief of the Grain Futures Administration, in which he approves of the inclusion of potatoes in the definition of commodities.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho.

The amendment was agreed to.

The PRESIDING OFFICER. The Chair believes the question now would come upon the various committee amendments which have not been acted upon.

Mr. POPE. Mr. President, the committee amendments have been acted upon. The amendments which were informally approved by the committee, but which are in reality individual amendments to be offered by the Senator from Iowa [Mr. DUFFY] and the Senator from South Carolina [Mr. SMITH] have not yet all been presented.

Since the Senator from Iowa has entered the Chamber, I call his attention to the fact that the first amendment appearing on page 2, line 19 of the new Senate print, changing "50" to "75" percent of producers, might be presented as the next amendment.

Mr. SMITH. Yes; it is on page 2, line 19.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Vermont will state it.

Mr. AUSTIN. Has the amendment on page 2, lines 14 and 15, to strike out "butter, and eggs", been disposed of?

The PRESIDING OFFICER. The Chair is informed that that amendment has not as yet been acted upon.

Mr. MURPHY. Mr. President, having reference to the amendment, on page 2, line 19, to strike out "50" and in lieu thereof to insert "75", this amendment raises from 50 to 75 percent the requirement as to proportion of the producer members in a cooperative association, corporate or otherwise, which shall be entitled to membership representation in a contract market—a contract market being a grain or other commodities exchange to which the bill is applicable. It is an amendment suggested by the Secretary of

Agriculture and would appear to admit of no objection on any ground.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, before the Senator from Iowa leaves this particular matter, does he not think it would be well to insert the words "in good faith", on page 2, line 19, after the word "percent"?

Mr. MURPHY. I see no objection to that.

Mr. McKELLAR. Mr. President, I offer an amendment, on page 2, line 19, after the word "percent", to insert the words "in good faith."

Mr. McNARY. I could not hear the Senator's suggestion. Where is the insertion proposed to be made?

Mr. McKELLAR. After the word "percent", in line 19, on page 2. The words "bona fide" are usually employed in such cases, but I am a great believer in good English, which cannot be misunderstood, and I wish to add the words "in good faith." I hope the Senator will agree to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee. The amendment was agreed to.

The PRESIDING OFFICER. The Chair invites the attention of the Senator from Iowa to the fact that there has been no action on the amendment, on lines 14 and 15, page 2, to strike out the words "butter and eggs."

Mr. MURPHY. Mr. President, I suggest that we pass this amendment over for the present and take it up later, and that we go on with the amendments as to which apparently there is agreement. I think the next amendment occurs on page 3, line 1, in the new print of the bill, after the word "for", to insert the words "or with."

As passed by the House, the bill provided that business done for the United States of America or any agency thereof should not be considered as member or nonmember business in determining the compliance of any such cooperative association contemplated by the act. The addition of the words "or with" has the effect of providing that business done for or with the United States of America, or any agency thereof, shall not be considered either member or nonmember business in determining compliance. The form of this language is suggested by the Secretary of Agriculture.

Mr. McKELLAR. Mr. President, what is the purpose of the amendment?

Mr. MURPHY. It would affect any transaction conducted for or with the United States of America.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MURPHY. The next amendment appears to be on page 7 of the print before us, the addition of paragraph "(C)."

Mr. McNARY. Mr. President, is the Senator discussing subdivision (C) on page 7?

Mr. MURPHY. Yes.

Mr. McNARY. How did that happen to be written into the bill in the form of an italicized amendment?

Mr. MURPHY. It is an amendment brought in by the committee to the bill as it passed the House.

Mr. McNARY. Did the Secretary of Agriculture suggest this amendment?

Mr. MURPHY. The Secretary of Agriculture did not suggest the amendment as his idea of what the proposed legislation should be, but representations were made when the testimony was taken, and it appeared that the bill as drawn would work an injustice to legitimate interests not concerned with speculation and not desiring to speculate. It was suggested then to the office of the Secretary that it suggest language meeting the objections of these legitimate interests, and with that understanding and on that basis the office of the Secretary then submitted this language.

Mr. McNARY. Did this meet, and does it now meet, with the approval of the farm groups and their representatives?

Mr. MURPHY. I have no information that it does not meet with their approval.

Mr. McNARY. That it does not?

Mr. MURPHY. I have no information that it does not meet with their approval. It has the approval of the committee. As to the logic of it, if the Senator will permit me to develop the purpose of the amendment, perhaps he will be satisfied.

The amendment proposes to enlarge the definition of "hedging" so as to permit manufacturers and millers to buy futures in anticipation of future manufacturing or milling requirements. The Quaker Oats Co., for example, knows from past experience about how much oats in the form of oatmeal can be marketed at a certain price, pursuant to a properly planned advertising campaign. Hence, when oats futures can be purchased at a price which enables the sale of packaged oatmeal at, say, 10 cents per package, the Quaker Oats Co. will wish to buy four or five or even ten million bushels of oats futures without actually having any offsetting sales. If the speculative limit should be fixed at 2,000,000 bushels, this amount could not be exceeded. However, the amendment will permit the Quaker Oats Co. to sell futures to whatever extent is necessary to hedge their anticipated requirements based on past experience, subject to the safeguard that in all such transactions prior approval by the Secretary of Agriculture must be had. In a sense this is a special provision to millers and manufacturers. Conceivably the privilege might be abused once, but not a second time, for the reason that the Secretary of Agriculture thereafter would not give his approval.

The office of the Secretary felt that was a condition it would like to relieve, but it was afraid of the consequences of writing into the law other language than that which is written, because opening the door to possible situations which it wanted to avoid. Therefore, it drafted this amendment, providing that "subject to approval by the Secretary of Agriculture", such a company as that referred to may deal in futures in such amount of such commodity "the purchase of which for future delivery would be a reasonable hedge against the estimated manufacturing or milling requirements of such person during an operating period of not more than 6 months, based on actual past experience."

We may assume that the Quaker Oats Co., desiring to exceed the limitation as it shall be fixed by the Commission, will have to satisfy the Secretary of Agriculture that there is a legitimate business need for such action; and that is all the amendment seeks to do. The company will have to satisfy the Secretary. The presumption is it will have to do that with evidence of sales in the last preceding 6 months or year, and the evidence of a reasonable anticipation of an increase in business.

If any further questions occur to the Senator from Oregon with respect to the proposed amendment, I shall be very glad to attempt to answer them.

Mr. McNARY. Mr. President, I am curious to know what the attitude of the Department of Agriculture is with respect to the amendment. I do not recall that the amendment was discussed while I was present at any committee meeting, and I wondered whether it had been submitted to the Department of Agriculture or to any of the representatives of the farm organizations, and whether they had an opportunity to study it and pass upon it and give their judgment as to its workability, practicability, and fairness.

Mr. MURPHY. Mr. President, I have no specific knowledge of farm organizations having been counseled with in respect to the amendment. All my counseling has been done with the Grain Futures Administration. The matter was thoroughly discussed and thoroughly aired in the subcommittee hearing.

Mr. McNARY. Is the Grain Futures Administration in accord with the purposes of the amendment?

Mr. MURPHY. It is in accord with the purposes of the amendment if it is the judgment of the Senate that we should make some provision for legitimate business, enabling it to exceed the limitations that will be fixed by the Com-

mission, if legitimate business needs to exceed such limitations.

Mr. POPE. Mr. President, will the Senator yield?

Mr. MURPHY. I yield.

Mr. POPE. I am opposed to this amendment for the reason that it extends the power to hedge far beyond the definition contained in the original act. It will be recalled that under that act orders may be hedged to the extent of the actual grain that one owns or may raise on one's own land within 12 months, and also the products and byproducts of the commodity.

Mr. McNARY. Mr. President, may I interrupt to ask a question there?

Mr. POPE. I yield.

Mr. McNARY. Is the Senator referring now to the original act creating the Grain Futures Administration?

Mr. POPE. I now refer to the hedging provision contained in the bill, in addition to the provision in the pending amendment, whereby a large industry—the Quaker Oats Co., for instance, which uses about 10,000,000 bushels of oats a year—may hedge not only against the actual oats and the products and byproducts in its possession, but also for a 6 months' requirement, which would be some 5,000,000 bushels additional; and then, in addition to that, such a company would have the limit on speculation or on speculative trading which any other person would have.

For instance, suppose the Secretary of Agriculture or the Commission should fix a 2,000,000-bushel limit to purely speculative transactions; the Quaker Oats Co. would have that 2,000,000-bushel limit. It could hedge to the extent of all the oats it owns, as well as its products and byproducts and, in addition to that, hedge to the extent of some four or five million bushels more of oats. That would apply to the industries which deal in packages or sell their goods in package form.

I will say that the Grain Futures Administration is opposed to the amendment. The original form of the amendment which was submitted to the Grain Futures Administration was different; and the present amendment was substituted, as giving to the Secretary some power to pass upon the amount of additional hedging.

According to the information I have, the Grain Futures Administration is opposed to the amendment, and farm organizations also are opposed to it, in that it gives the large industries great power of dealing in futures which they might use for speculative purposes, and the amount involved is so great that in some instances they could even corner the market. That is the reason why I oppose the amendment. That is the reason, as given to me, why the farm organizations oppose it, and why the Grain Futures Administration opposes it.

Mr. MURPHY. Mr. President, the design and purpose of the amendment is to restrict speculation. The design and purpose is specifically to avoid interference with legitimate business. We have no right here to hamper unjustly the operations of a processor of grain commodities. The question presented by the objection to the amendment is whether we wish to hamper legitimate industry.

As the bill stands, a legitimate industry having no desire to gamble, having no desire to exceed its legitimate needs in any trading on the grain exchange, but having an actual need in protection of itself to exceed the limitation as fixed by the Commission, yet may not exceed the limitation. The pending amendment does not propose to make the company the judge of the circumstances under which it may exceed that limitation; not at all. It comes to Washington, and it says to the Secretary of Agriculture, under the terms of the amendment: "We want to exceed this limitation as fixed by the Commission. Here is the evidence in support of our request to you to permit us to exceed it." Having satisfied the Secretary of Agriculture in reason that the company ought to be permitted to exceed the limitation, it is granted permission to do so; not otherwise.

I think we owe that in fairness to industry which does not wish to be subject to the hazards of the market, which does not wish to have those hazards reflected in its balance

sheets, which desires to do business on a legitimate basis, reassured as to the cost of its raw material and reassured as to the cost of putting its product on the market.

Mr. McNARY. Mr. President, will the Senator yield in order that I may ask him a question?

Mr. MURPHY. I yield.

Mr. McNARY. From the Senator's own remarks, I assume he believes there are only a few industries which could avail themselves of the benefits to be derived from the language proposed in the pending amendment. Is it calculated to help only a few industries in the country?

Mr. MURPHY. Yes, Mr. President; it fits only a few industries in the country.

Mr. McNARY. Is the Senator from Idaho [Mr. Pope] correct in stating that the amendment has met with the disapproval of the Department of Agriculture?

Mr. MURPHY. I thought I had stated the attitude of the Department, but I will restate it as I understand it.

The Department is not sympathetic with the amendment, but the Department submits that it is not a matter for its judgment; that if it shall be the judgment of Congress that we should permit this consideration of legitimate business, then the language of the amendment suits the Department of Agriculture.

Mr. NORRIS. Mr. President, I do not think it is a fundamental matter whether the pending amendment shall be agreed to or rejected. I shall be satisfied with the bill whether or not it contains the amendment. The Senate, however, should know the attitude of the Department of Agriculture with respect thereto.

I do not believe the Secretary of Agriculture or the representatives of the farm organizations or the Grain Futures Administration are bitterly opposed to the amendment. If I am correct in my judgment, I believe they all prefer that the amendment be rejected. The amendment puts it within the power of the Secretary to grant the proposed extension or not to grant it; and, as I understand the attitude of the officials of the Department of Agriculture, they feel that while they prefer not to have the amendment in the bill, yet if it shall be put in the bill, and Congress thinks it ought to go in the bill, they will approach the subject in a friendly attitude, and if Congress thinks it ought to be the policy they have no objection to administering. It will not be difficult for the Department of Agriculture to administer it. However, so far as those in the Department of Agriculture who have to deal with it are concerned, they have a prejudice against the amendment. There are not very many institutions which could avail themselves of it. In a measure, it presents a contest between the larger corporations and the smaller ones. I do not think the amendment will do any harm if adopted, although, under all circumstances, I am going to vote against it.

Mr. LA FOLLETTE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Nebraska yield to the Senator from Wisconsin?

Mr. NORRIS. I yield.

Mr. LA FOLLETTE. Mr. President, I understand that under the terms of the bill, without the amendment, any concern is permitted to hedge on its entire requirements of a commodity for a year and on the byproducts thereof. Is that correct?

Mr. NORRIS. I think that is substantially correct.

Mr. POPE. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. POPE. Not only on its requirements for a year but as against any grain that may be grown on land owned by the person who desires to hedge for its requirements for a year.

Mr. LA FOLLETTE. That is what I meant; perhaps I did not properly state it. What I cannot understand—and I wish the Senator would explain it to me—is why that is not a sufficient permission to protect them so far as hedging operations are concerned.

Mr. NORRIS. My judgment is that it is sufficient. The Senator from Iowa thinks there ought to be a little greater latitude extended to large organizations which have very extensive operations, and he has very carefully guarded his amendment so that they may not get the extension except with the permission of the Secretary of Agriculture. My judgment is, however, that the amendment is entirely unnecessary.

Mr. MURPHY. Mr. President, in reply to the Senator from Wisconsin, hedging against grain actually bought is not sufficient for the purposes of the corporations affected.

Mr. FRAZIER. Mr. President, as I remember the hearings on this measure, the Quaker Oats Co. were the only ones who asked for an amendment of this kind. The Quaker Oats Co. and other breakfast-food companies make a fair profit on the processing of grain. Oats sell ordinarily at the present time for less than a cent a pound, and very seldom for more than 2 cents a pound. The Quaker Oats Co. charge from 10 to 15 cents per pound for their rolled oats after they have gone through their mills and their factories. So the Quaker Oats Co. and other breakfast-food companies make a fair profit on their handling of the farmer's product in processing breakfast foods, and if there are any concerns on earth that deal with grain that do not need any special protection, it is the breakfast-food manufacturers. Under the requirements of the bill they are entitled to any kind of legitimate bona-fide hedging in their transactions.

So it seems to me that the amendment is entirely unnecessary, and while the Department, of course, would accept it if the Senate and House insist on its going into the bill, I do not believe it is necessary. The representatives of the farm organizations were all opposed to it. I think that the amendment should be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The LEGISLATIVE CLERK. On page 11, line 20, after the word "such", it is proposed to strike out "person or" and insert "person, or"; at the beginning of line 22, to strike out "contracts as" and insert "contracts, as"; and in line 23, after the word "shall", to strike out "not" and insert "be separately accounted for and shall not be commingled with the funds of such commission merchant or", so as to read:

(2) Such person shall, whether a member or nonmember of a contract market, treat and deal with all money, securities, and property received by such person to margin, guarantee, or secure the trades or contracts of any customer of such person, or accruing to such customer as the result of such trades or contracts, as belonging to such customer. Such money, securities, and property shall be separately accounted for and shall not be commingled with the funds of such commission merchant or be used to margin or guarantee the trades or contracts, or to secure or extend the credit, of any customer or person other than the one for whom the same are held.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment of the committee was, on page 12, line 4, after the words "Provided, however", to strike out:

That such money, securities, and property may be deposited or pledged separately and apart from, or commingled with the deposits and pledges of such futures commission merchant with any bank or trust company and that such share thereof as shall be necessary to margin, guarantee, or secure the contracts or trades of such customer carried with the clearing house organization of such contract market or with a member of such contract market, may be deposited or pledged with such clearing house organization or with such member.

And in lieu thereof to insert:

That such money, securities, and property of the customers of such futures commission merchant may, for convenience, be commingled and deposited in the same account or accounts with any bank or trust company or with the clearing house organization of such contract market, and that such share thereof as in the normal course of business shall be necessary to margin, guarantee, secure, transfer, adjust, or settle the contracts or trades of such customers, or resulting market positions, with the clear-

ing-house organization of such contract market or with any member of such contract market, may be withdrawn and applied to such purposes, including the payment of commissions, brokerage, interest, taxes, storage, and other charges, lawfully accruing in connection with such contracts and trades: *Provided further*, That such money may be invested in obligations of the United States, in general obligations of any State or of any political subdivision thereof, in obligations fully guaranteed as to principal and interest by the United States, and in "investment securities" as defined in and under authority of section 5136 of the Revised Statutes, as amended, and, subject to approval by the Secretary of Agriculture, may be loaned on the security of negotiable warehouse receipts conveying or securing title to readily marketable commodities to the extent of the current loan value of such receipts, such investments and loans to be made in accordance with such rules and regulations and subject to such conditions as the Secretary of Agriculture may prescribe.

Mr. COPELAND. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. COPELAND. I inquire where the clerk is reading?

The PRESIDING OFFICER. The clerk is reading in the committee print or new print of the bill on pages 12 and 13.

Mr. McNARY. What happened to the amendment on page 9?

Mr. SMITH. That was agreed to.

The PRESIDING OFFICER. That amendment, as amended, was agreed to this morning.

Mr. McNARY. When?

The PRESIDING OFFICER. That was the amendment offered by the Senator from South Carolina [Mr. SMITH] yesterday, and, as amended, was agreed to this morning.

Mr. McNARY. Mr. President, may I ask the Senator from Iowa is it a committee amendment which has just been read by the clerk? Has the Senator offered it on behalf of the committee?

Mr. MURPHY. Yes; it is an amendment offered on behalf of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment which has been stated.

Mr. COPELAND. Mr. President, I have taken pains this morning to ask a dozen Members of the Senate what this bill was about, and I have not been able to find out. I venture to ask the chairman of the committee what the reason is for this bill? Is the country going to the bow-wows if we do not have it? Why do we need it? What is the shouting about?

Mr. SMITH. Mr. President, I would much rather the Senator would ask me an easy question; I am a little weary this morning. Really and sincerely, however, I think that this bill was drawn for the purpose of correcting or regulating certain abuses that had become disastrous in our great exchange places. It will be recalled that just a few years ago, a very few, a certain trader on the wheat exchange, "on a shoestring," nearly succeeded in cornering all the wheat in America, and when there was a slip in the cog the entire trade was demoralized. And as to the cotton market, it was testified under oath, that one firm had 2,600,000 bales of actual "spot" cotton which it had hedged on the market. It was also testified that some of the big traders would sell Europe and buy America, which is called a straddle. The same thing was done in the grain market. Not only would they sell Europe, or buy, as the case might be, to their advantage, and sell America, a straddle, as it is called, but they would have enough of the commodity and enough money to put one down and the other up, and then reap the reward of the manipulation. It went so far that they would straddle from one month to another month; that is, they would buy one month and put the price for that month out of all relation to the price of a near month, and then they would put in their "spot" wherever they had created an advantageous place to put it. These are some of the "high spots." Whether we can meet the situation by legislation remains to be seen.

I wish to state frankly, Mr. President, and let it go in the Record, that I have pled with members of the exchange with which I am familiar so to adjust their rules and regulations that there would be a free and open market, for the reason that once we legislate and crystallize a practice or a principle or a policy into legislation, when conditions change, as they do very often, the only way legislation which does not then

apply can be gotten rid of is to go through all the legislative processes over again.

I gave the exchanges all the time they might need. Two or three years have elapsed and conditions have gotten worse instead of better. For that reason I have thought that it might be wise to adopt this plan. Whether or not we should put it under a political subdivision of our Government is a question that ought to be considered. I have thought that if provision could be made for the appointment of a commission, composed of men in whom the Congress had confidence and who could carry out the purposes of the legislation in a manner to meet the exigencies which arise from time to time, it would be better than trying to crystalize all the details into a legislative enactment.

Mr. COPELAND. Mr. President, will the Senator give me a little more information? I take it from what he says that we really ought not to pass the bill. He did not say that directly, but I infer it from his remarks.

Mr. SMITH. We can get a great amount of conjecture out of very little fact.

Mr. COPELAND. As a member of the committee which was appointed to investigate crime conditions, I heard much testimony about how a great moral respect for righteousness may be instilled into a child, but the testimony was that we cannot teach morals by precept. I should like to ask the chairman of the committee, the Senator from South Carolina, about the provision on page 8, for instance. Why is it necessary to enact a new law to provide that in the transactions covered by the bill it shall be unlawful "to cheat or defraud, or attempt to cheat or defraud", or "willfully to make or cause to be made * * * any false report or statement", or "willfully to enter or cause to be entered any false records"; and on page 9, "willfully to deceive or attempt to deceive by any means whatsoever." Do we have to enact new laws to keep people from cheating and defrauding and falsifying and all that sort of thing?

Mr. SMITH. Have we not already such laws?

Mr. COPELAND. Yes; and I thought we had enough. Do we need any more such laws?

Mr. SMITH. I take it that the provision referred to applies to the particular kind of cheating and defrauding of which the public is not generally advised and which goes on within the sacred precincts of the exchanges to which the bill relates.

Mr. COPELAND. As a member of the public I am anxious to know to what it all relates. That is the reason why I am asking the Senator these questions.

Mr. LEWIS. Mr. President, may I interject an interrogation? Do the "sacred precincts" to which the Senator refers exist within the great exchange located in the city which I have the honor to represent in part? Surely no such condition there exists as would justify the necessity for any such enactment as is here proposed.

Mr. SMITH. Mr. President, I am afraid the facts belie the intimation as to the sweet odor arising from the institution to which the Senator refers. He will have to readjust his facts.

Mr. LEWIS. I shall overcome that statement by having the Senator from South Carolina invited by the board of trade to come and sit with them and among them.

Mr. SMITH. O Mr. President, I have enough sins now to answer for. [Laughter.]

Mr. COPELAND. Mr. President, other Senators may know what it is all about, but I declare I do not. I cannot get head or tail to it.

Mr. NORRIS. Mr. President—

Mr. COPELAND. I am going to resume my seat and let the Senator from Nebraska enlighten me.

Mr. NORRIS. Let me ask the Senator if he was present yesterday?

Mr. COPELAND. No; I am sorry I was not. I was engaged in a committee meeting.

Mr. NORRIS. Was the Senator here several days ago when the Senator from Idaho [Mr. POPE] explained the bill section by section, from one end to the other?

Mr. COPELAND. No; I am sorry I was not here then, either. I was engaged in a committee meeting at that time, too.

Mr. NORRIS. As to the language the Senator read, unless the Senator from New York or some other Senator makes the motion, that language is not in controversy at all. The committee has not suggested any such thing. The Senator was reading from a part of the bill which, so far as the committee is concerned, is not in controversy at all.

Mr. COPELAND. Then, am I to understand the remainder of the bill is recommended by the committee as 24 carat and all right?

Mr. NORRIS. So far as I know, it is 24 carat and all right; but if the Senator from New York never attended a committee hearing and was not in the Senate when explanation was made of the particular amendment upon which the Senator stopped the proceedings when he made his inquiry, I do not wonder that he does not understand it.

That is a very important amendment. It applies to an operator on the board of trade who is using a client's money for investment. Complaint has been made, and often demonstrated in the past to be justified, with reference to a misuse of funds which are often trust funds. The law has not always been such that the operators could be punished for abuse and misuse of trust funds. The pending amendment is to rectify that situation and was suggested by the experts who have been studying the question ever since we enacted the original law. It is intended to protect properly the money of the customers and to provide some limitation under which the commission men may use that money to invest.

Heretofore a great many frauds have been committed and a great many things have occurred by which the customer, innocent of all wrong, has been robbed of his funds which he has given to a commission agent for investment and which the agent has invested in some other enterprise. The amendment in particular is one on which the committee had a great many hearings and to which it devoted a great deal of time. While it may not be perfect, it was the best judgment of all the members of the committee, so far as I know, that it would rectify the evils which have heretofore existed in relation to the investment of money coming from clients of members of the boards of trade.

Mr. SMITH. Mr. President, may I suggest to the Senator from Nebraska that one instance which was brought out was that of the broker using the money of his patron or client for the purpose of financing himself or someone else.

Mr. NORRIS. Yes; often.

Mr. SMITH. He put it right into his personal bank account and used it very often, as the testimony disclosed, for purposes which were contrary to the interests of his client.

Mr. NORRIS. I think that is true.

Mr. SMITH. That was brought out in the testimony.

Mr. NORRIS. The only purpose of the amendment is to protect money that is really a trust fund, sent to a commission agent and kept on deposit with him; to protect the margins of the customer and to prevent illegal use of the money for some other purpose. That is all the amendment undertakes to do, as I understand.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NORRIS. I yield the floor.

Mr. COPELAND. I am considerably out of patience with people who want to get rich in 24 hours by any system of gambling.

Mr. NORRIS. The amendment is not to help the gambler but is to prevent the use of trust funds perhaps for gambling or for any other improper purpose.

Mr. COPELAND. If such use is being made of the money, improperly and indecently and unlawfully, is there not a way now to reach the guilty broker?

Mr. NORRIS. He could be prosecuted under the law possibly, but it would not save the poor devil whose money had been wasted. He would be bankrupt and gone.

Mr. COPELAND. Who is that "poor devil"?

Mr. NORRIS. He may be a miller. He may be a manufacturer of some product derived from wheat or from corn or from some other commodity that is bought and sold on the board of trade. I think all students of the subject recognize that within certain limits hedging is not only justifiable but necessary. The amendment undertakes in a small way to stop some of the gambling which has disgraced various boards of trade.

This is one of the amendments which we think would prevent the use of the funds of clients, which have been deposited with commission men, for some other purpose than that for which they were deposited, perhaps for gambling, and from being used as money belonging to the commission men instead of using it for the purpose of protecting the client's hedge. It may be a large milling concern that may have large deposits to protect the hedges it has on the market, which have been honestly purchased for the sake of protecting itself in the manufacture of wheat into flour.

Mr. COPELAND. I know that a small miller who, in advance of the season, buys wheat for grinding, and who has a storage capacity, has to protect himself against fluctuations in the market.

Mr. NORRIS. That is legitimate hedging.

Mr. COPELAND. Yes; that is legitimate hedging.

Mr. NORRIS. But he would have some money on deposit with his agent in Chicago, we will say; and the object of this amendment is to protect that money so that the agent may not take it and use it for some other purpose, to pay his own private debts with it; or, as the chairman of the committee has said, sometimes it happens that the agent uses the money for the purpose of gambling on the very products in which his client is interested, in which case it would sometimes have a tendency to injure the interests of his own client. In other words, the amendment is to prevent a misuse of funds that have been deposited to protect a legitimate hedge, such as the Senator mentions.

Mr. COPELAND. I can sympathize with the miller in what the Senator has called the legitimate hedge. I have not any sympathy with the man who sends his money forward expecting to make a lot of money in the next 6 weeks through a gambling process; but I suppose the money of the legitimate hedger and the money of the deliberate gambler are so much on the same plane that to protect one it is necessary to protect the other.

Mr. MURPHY. I ask for the adoption of the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

SUGGESTED METHOD OF PAYING DEBTS DUE THE UNITED STATES BY FOREIGN GOVERNMENTS

Mr. LEWIS obtained the floor.

Mr. BONE. Mr. President, is it the purpose of the Senator from Illinois to make some remarks at this time? I have sought the floor to make a few comments on the naval appropriation bill.

Mr. LEWIS. I shall take but a few moments to speak on the subject which I now desire to discuss. I welcome the observations of the able Senator from Washington relative to the naval appropriation bill.

Senators, I take occasion to avail myself of this intrusion to again suggest a subject with which I fear many Members of the Senate have grown sensitive and their patience more or less drawn by me to an extreme point of indulgence.

Mr. President, there is either an honest undertaking on the part of our foreign debtors now to come to some terms with the United States looking to the payment of the debts or the adjustment of them; or there is a deliberate gesture, with its skirmishing for winning the good will of the United States of America, looking to further applications for new loans desired and for further favors to be advanced.

I will not charge the foreign governments who are making the efforts—and I hope sincere efforts—with any other motive than that of an honest undertaking to renew friendships and revive confidences.

However, Mr. President, I cannot overlook, having so often brought this subject to the Senate, what appears to be a new phase constantly and publicly heralded. We are all attracted by the fact that in the late election in France there have arisen new leaders who are asserting to the world that one of the very first undertakings in their behalf is to do something—I quote the exact language as reported—

To do something to restore the confidence of America by reaching an adjustment of the debt due by France to the United States.

At the same time, Mr. President, there comes from the distinguished head of the great banking institutions at Paris the statement that there are two ways in which this money can be paid. One is by some adjustment looking to advancing the products of France as payment, and that in proportion as we could accept. The other is in obtaining from the United States such loans by France from which a portion of the debt may be paid.

At this moment I advert to the suggestion from the financiers at London in behalf of England. The proposition is based upon the assumption that the United States make a proposal which will embody some suggestion—I quote again, sir—

That will not disturb the exchanges in money or injuriously affect the pendency of or the tendering of the trade treaties—

I pause to say I could not myself understand the cable line, whether the word was "pendency" or of the "tendering" of the trade treaties. I give it to the Senate exactly as it is sent in to me.

Mr. President, I am alarmed by the fear that there are certain lands in the world that have newly embarked on imperial tendencies and are conscious that if something is not done looking to reviving friendship with the United States, and having behind them the credit of this great land through its confidence, bankruptcy or anarchy will fall to them as the inheritance from that which they themselves have planted. We in America are very fortunate and should, indeed, compose ourselves with great consolation that by our policy, which is an American policy, we have withheld from associations, far from connection, with these foreign countries as have imperialistic policy or disclose purpose of conflict for financial profit or for territorial acquisition.

At this time I am not breaking into the discussion of the measure pending before us to indulge generally in any disquisition upon the affairs of the world such as I will do at some other time, and endeavor to impress upon the Senate my point of view, but I intrude into the debate at this point only to say that I regard the present situation as exceedingly dangerous to the financial security of foreign lands, and to that of our country; also, sir, to what might be called the credit of the treaties which we are making; more disturbing are the evidences of conflict which will surely follow between these lands if the present conditions of conflict, lack of confidence, and want of honor shall continue between them as exhibited in their daily procedures, one with the other.

Mr. President, I turn for the moment to the affairs of the United States in the matter to which I allude—the debts which are due us.

It is intimated from high sources in behalf of two of these large debtors that if some proposal can be made that can be viewed as not disturbing to the exchanges in money nor interfering to the point of disrupting the proposed trade treaties now pending that the proposition will be promptly considered as something that might be availing in result. There is no suggestion that the proposal in any form will be adopted, and I am not here to intimate that there has been any statement that such will be accepted merely because it is suggested; but I am flattered, sir, and may I say here I am complimented that there is allusion in the speeches of these honorable gentlemen of foreign lands and in some of the statements that have come to high departments of this Government to what is designated as constant contention that I, as a humble Member of this body, have assumed to urge in behalf of collecting these debts? I deplore to say that I am held up by one as one who continuously

"irritates the friendship" between the nations. I am charged by another with being "unconscious of how disturbing to the whole world it would be should an attempt be made to pay these debts in money", and that I am giving evidence constantly either of my ignorance or my perversity in not realizing that the payments, if made in the manner such as I have in speeches set forth would be so much more destructive to my country than beneficial. That it all discloses my lack of understanding of this very serious situation—balancing of accounts in gold—I have no comment to make other than to say I naturally would deplore that they should view me in that light, if such there be, but I must insist that the subject cannot be disposed of by merely alluding to those of us here who are insisting upon these debts being paid as lacking in understanding of the form and manner in which such could be done and at the same time preserve what is called the integrity of international finance.

Mr. President, therefore, I accept the suggestion made by the eminent spokesman concerning which the late newspapers and some other sources have brought to us, conscious as we are, on the eve now, sir, of negotiating treaties which will extend our goods to other countries in turn for their goods being extended to us or which will be in a form which will enable any one of the other countries to avail themselves of all the favor and benefit that is granted to some other country by special treaty; conscious as I am, sir, that the money must be paid by the United States in the usual method for some of these products and in other instances, sir, that there are products which we do not produce at all and which we cannot do otherwise than purchase if our need is to be supplied, I propose and tender the suggestion for my own Government, as well as the debtors, that the committee that is now contemplated, the committee supposed to be made up of all the debtors—I think the words are "the principal debtors"—consider the issuing of a joint form of bonds; that such bonds represent the debt according to the amount which in justice may be determined by the representatives of the United States, the creditor, and those who are representing the debtors. As to the exact amount, of course, I can only speculate. I have no assurance as to what may be admitted and what may be adopted. I therefore add the suggestion that these bonds be so constructed in phraseology that if it becomes necessary, as it will, for the United States of America to obtain goods and products which we do not produce but which are necessary to the welfare of our country, instead of paying the money by the United States for such products or exchanging our goods for them, the bonds which I describe shall be receivable as payment for such products as we desire or do obtain from the debtor nations who have that which we need but which we do not produce.

Mr. WALSH rose.

Mr. LEWIS. Does the Senator from Massachusetts desire to interrupt me? If so, I yield.

Mr. WALSH. Mr. President, will the Senator be kind enough to amplify his statement as to the form or character of the committee that is to issue the bonds referred to by him?

Mr. LEWIS. I take the liberty to say that I was suggesting that the committee when it meets should make the suggestion to other countries as to the form of a bond.

Mr. WALSH. The committee itself, then, would not issue the bonds?

Mr. LEWIS. The committee itself would not be the body which would issue the bonds, nor would the bonds issue from the committee as such.

Mr. WALSH. The bonds would be issued by the several nations that are indebted to our country.

Mr. LEWIS. Exactly. I am submitting that the committee should consider the question as to the method and propose to the several debtor countries the form of a bond which I feel would be acceptable to us and would be available.

Mr. WALSH. Let me inquire how the committee is to be organized. I must ask the Senator's pardon, because I was not in the Chamber until a few moments ago.

Mr. LEWIS. I am now referring, I may say to the able Senator from Massachusetts, to a committee of the debtors. The proposition has come to us that the debtors—I think the words are "principal debtors"—shall each designate a committee; that committee shall have a joint meeting; and, in behalf of all the debtors, make some proposition to the United States looking to what they call the adjustment of these debts on the basis of the revival of confiding friendship.

Mr. WALSH. In other words, the State Department might suggest to the debtor countries that such a committee be organized and that representatives be sent by our Government for the purpose of conferring along the line suggested by the Senator from Illinois.

Mr. LEWIS. I may say, if such were done, it would not meet disapproval on my part. I may say, however, to the able Senator that the suggestion does not come from our State Department, but from those who are assuming, in behalf of France and England, to revive the whole subject, so that there will be no longer suspicion on the part of the United States of what they call their honor and their intention to pay, but, to the contrary, something that may revive the friendship between the United States and again resume the mutual confidence of the old friendships as they existed previously to the World War.

I will say to my able friend if my country could consider the proposition, if it should emanate from such a committee, it would not be bad, and it would meet my approval if some committee on our own part were also assembled at the same time in order to reach some concurring action that would be the joint action of them all.

Mr. WALSH. In other words, a joint conference or joint committee of various countries such as come together from time to time for the purpose of studying and considering naval disarmament?

Mr. LEWIS. Something similar to that, it being, from my point of view, desirable that the committee should meet and consider not whether they should pay or what they should pay but that they consider the mere method of payment.

Mr. WALSH. While I am on my feet, I want to express my admiration for the study and thought and enthusiasm which the Senator has given to this important subject, and I sincerely hope his efforts to bring about a solution of this problem and a settlement of the debt question may be amply rewarded.

Mr. LEWIS. I appreciate to a very great degree the approval of the Senator of my efforts to bring about a payment of these debts.

Mr. President, I would ask that these bonds, therefore, not only be acceptable as the payment for the produce or the imports of the other countries, thus saving us the payment of our money or the delivery, sir, of our goods which we may need at home, but again, sir, I would propose that these bonds be so conditioned that whoever shall possess them shall have the privilege, as stated in the bonds, to tender them for taxes; that the owner of the bonds should be able to tender them in payment of taxes due our own Government or such other obligations as are due any other government by any American or any American interest.

Mr. President, I do not know, sir, as my able friend from Massachusetts has well stated, how far our Government will dare to go until some meeting shall have been brought about on the part of the debtors and a proposition from the debtors tendered that we may know the amount they offer or whether the payments are to be by installments or whether they are to be offered in goods or whether there will be a mere matter of exchange accepted between the countries limited to the mere interest that is due.

I cannot gather from the statement the exact limitations and I tender the proposition that it may be considered by my own Government and that of the debtors looking to an

adjustment that may continue the friendship of nations, but above all that they shall discharge the just demands due the United States, that the United States may proceed to discharge its own obligations, meet the heavy taxes about to be laid upon us, pay the debt of the soldier, and there be discharged that debt of honor which those countries owe to us and which we owe to fulfill to our fellow citizens and America. For this object I tender the proposal, hoping the result will fulfill the adage—"all's well that ends well."

NAVAL PREPAREDNESS

Mr. BONE. Mr. President, I have now and sincerely hope I always shall have an intense and wholesome respect for the opinions of others, and particularly the opinions of Members of the Congress of the United States. So what I shall say in commenting on one small phase of the naval appropriation bill is not said in a captious spirit or in a spirit of criticism, but rather is my view and my hope expressed here with the thought that perhaps in the future we may be able to correct a rather unhappy situation.

When the naval appropriation bill came to us from the House and we contemplated the fact that this was probably the largest peacetime naval appropriation in the history of the Republic, my attention was challenged by one brief provision in the bill.

On page 43 of this, the largest peacetime appropriation bill in the history of the Republic, occurred this language:

That no part of this appropriation shall be used for the construction of a factory for the manufacture of airplanes or for the construction or manufacture in a Government-owned factory or plant of airplane engines other than experimental engines, or airplanes other than airplanes for primary training purposes.

In 1934, after something of a long discussion on the floor, provision was made whereby the President of the United States might allocate, and he did allocate, to a naval airplane factory in Philadelphia a certain definite amount of money to expand that plant, which had gone into disuse long years before and which, so far as the information I have discloses, appeared to be wholly incapable at that time of producing airplanes of the type the Government might have to have.

My purpose in making the fight on the floor of the Senate at that time was to make available to that airplane factory the funds wherewith to expand it to a point where the Government might conduct experiments to determine the primary cost of airplane engines, fuselages, and other materials and equipment which go into completed airplanes.

It was my fortune to serve on the Munitions Committee of the Senate. A number of gentlemen came before that committee one day and there told a story which was merely an amplification of the picture presented to the American people in 1932 and which helped to destroy the Republican Party at that time. It was one of those things which was outrageously scandalous and smelled to high heaven. These amiable gentleman testified that, as I recall, that in a period of 6 years they had rolled up in accomplished profits 1,142,000-percent profit; that is, 11,420 times the capital of their business reflected in profit; and that company made airplane engines used in part by your Government.

There was not a member of the Munitions Committee of this body, and there certainly could not be a Senator here who thinks along straight lines, who would not have been deeply resentful of the fact that any private business enterprise in the country doing business with the United States Government could roll up an 11,000-percent profit, in no small part out of the Government, in 5 or 6 years. If anyone thinks that is good business, he differs from my conception of what constitutes fair business profits; and to him I would say that such men sow the wind and we must reap the whirlwind in public condemnation for allowing it.

We all know, and certainly must feel keenly about the airplane frauds in this country. Almost overnight certain men became multimillionaires out of the airplane business. I doubt if there has been a picture presented to the American people more redolent of excessive profit and reflecting more upon this Government of ours in permitting such things to

proceed than some of the activities in certain fields of the airplane industry. I have no objection to men making a legitimate profit, but I would object to men becoming multimillionaires overnight out of the United States Treasury without a murmur of protest from a Democratic Congress representing the New Deal. That is not too harsh a suggestion, because the people sent us here contemplating the fact that we would in reality give them a new deal. I am jealous of the good name and the good intentions of my party.

In 1934, I suggested to the Senate, and the Senate was kind enough to follow the suggestion at times, that we give to this little Government airplane factory in Philadelphia enough money to expand itself to the point where the Government might make a few of the needed airplane engines, just a few of them. The commercial airplane group in this country, for some obscure reason, is more potent than the voice of protest against grave abuses, and so we find in the naval appropriation bill, as it came from the House, a restriction upon even that dinky little factory, set up not necessarily as a yardstick, but just as a signpost, just as a warning to these gentlemen that if they continued this conduct, Uncle Sam might be constrained to manufacture a few airplane engines just to show what it would really cost to manufacture them.

To be sure, the conferees changed the House provisions, but leave in the bill the provision that none of the funds made available shall be used to build a new airplane factory. There is no prohibition against using some of the funds for the Philadelphia factory. That is not the precise point at issue. My complaint is that we have to fight, in conference or otherwise, to protect this small Government airplane factory, each session, against extermination. It is the sentiment reflected in the House provision to which I draw attention. It reflects a studied attitude of hostility to any effort on the part of the Government to protect itself by having this little yardstick wherewith to measure, in a slight degree, the cost of airplane manufacture.

We find these six or seven lines in the House bill, striking out of this, the largest appropriation we have ever made for the Navy in peacetimes, any possibility of Uncle Sam defending himself from practices of profiteering reflected in the example I have given.

I do not believe we can walk away from moral responsibility for this situation. I do not want to do it. I want to face it squarely. I deeply resent the fact that this Government seems to put itself in the position of cringing like a whipped spaniel before our war profiteers. The great mass of the people are going to know about it, because some of us are going to tell them about it. There is no excuse for this Government being rooked. I say that with full recognition of the fact that the men who do this kind of war business with the Government are entitled to a fair profit, but not to 11,000 times their capital in 5 or 6 years.

If we open the doors to that sort of a superglorified raid on the Treasury, which we are here presumably to protect—and certainly that is a violent presumption, if we are going to permit this thing to go on—then every special interest which thinks it can get away with it is going to come here and with every justification in the world say, "You let this other gang get away with this sort of business, and there is no reason why we should not be permitted to do the same thing."

We have presented to the Senate evidence that for approximately \$24,000,000 we can expand the Government navy yards to a point where, with new machinery, new dies, new devices of every kind, the Government can handle the entire naval building program contemplated under the naval bill, which involves possibly the naval race contemplated by these larger expenditures.

Yet for some obscure reason, gentleman of the Senate, the very people who protest most vociferously, who are the most highly vocal in protesting that we need preparedness of an order the like of which we have never yet contemplated, object to the United States Government—your Government and my Government—taking out a little insurance against some

of the monstrous failures we had during the war, like the Hog Island scandal up here and other things of that kind. Those gentlemen, breathing fiery imprecations against pacifists on the one hand, breathe almost the same fiery imprecations against those of us who want the Government to prepare as fully and completely as it is possible to prepare by getting its navy yards in complete shape to fully take on this great burden, if it should come suddenly.

Government navy yards of ours, with an expenditure of some twenty-three or twenty-four million dollars, will be able to handle our whole new program. What is wrong with that? How can the most ardent exponent of preparedness object to that? And yet, gentlemen of the Senate, for some obscure reason some professed exponents of preparedness do not want preparedness if Uncle Sam himself stands ready to do it. Therefore, despite an innate desire on my part to be absolutely and wholly fair to all those who may differ with the friends of public building, I am sometimes tempted to question whether these critics would rather not have full preparedness than to have it if it means preparing the Government to do its own work.

For \$24,000,000 every exponent of preparedness in this country may know in his heart that this Government will be made ready to build all the warships necessary to meet the naval race that appears to be coming on. I say again—I am not going to talk much longer—that I cannot understand why these gentlemen present to the country this constant, unending demand for preparedness, and yet come down here and object to the efforts of those of us who are trying to put Uncle Sam in a position where he can fully defend himself and can fully prepare on short notice.

On the Pacific coast and on the Atlantic coast are great navy yards that can be expanded with this twenty-three or twenty-four million dollars to do all our naval work. They can announce to the world that Uncle Sam tomorrow, or as soon as those plants are expanded, stands ready to build every ship of his, if need be, rapidly and under the stress of a great naval race. Yet if you tried to get through Congress a bill definitely appropriating \$24,000,000 for that laudable purpose, you would run into a fight—a fight from whom? A fight from the very men who assure us of full and undivided allegiance to the theory of national preparedness.

I think there is something unhappy about that attitude of mind. It does not square with professions of loyalty to a preparedness program. The thing that I have adverted to here, the fact that the House has seen fit to interpolate into this bill these four or five lines trying to kill this tiny Government airplane plant up in Philadelphia, is an evidence of the fact that the men who roll up private war profits are determined that this Government shall not fortify itself.

I want to see my Government in position to defend itself, and I feel that it is incumbent upon me to rise and challenge the philosophy which seems to be reflected in this provision bringing death to this Government plant. I do not want my Government to cringe like a whipped spaniel at the very feet of private airplane companies and private naval builders. I would have it say to these men, "when you build these instrumentalities of war we are willing that you should make a legitimate profit, but we are not willing to be rooked by you." I think that those who have respect for good business practices may agree with me.

Why should we demean ourselves by putting in a bill of this character, words of this type, that are in themselves pathetic in their expression of a defeatist philosophy—just smashing at a dinky little factory up there in Philadelphia lest that little thing be used as a yardstick, as a barometer, to measure real values in the airplane world? Men here have seen these airplane-company owners make fortunes out of this war game. You have seen what this subsidy business did, and you have seen a growth of this subsidy program until finally, gentlemen of the Senate, you have seen as an outgrowth other groups come down to Washington and say, "Well, you have been doing it for less worthy folks and we want you to do it for us."

I think the time has come to serve notice here that this Government from now on intends not to be a Hungarian helot, and cringe like a yellow dog every time one of these outfits cracks its whip, but that from now on it is going to stand up in the majesty of Government and tell this crowd that no longer are we going to permit them to come down here and tell us that we cannot create any of our own instrumentalities of war.

I have no quarrel with preparedness; but I do have a quarrel with the men who would not willingly permit us to appropriate one dollar of Government money to make the Government self-sufficient in time of war.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BONE. I am very glad to yield to the Senator from South Carolina.

Mr. BYRNES. I have been out of the Chamber. Is the Senator under the impression that the conference report on the naval bill as agreed to would prevent the Philadelphia factory from continuing the construction or manufacture of airplanes for the Navy?

Mr. BONE. The Senator, I am sure, has misunderstood the purport of my remarks.

Mr. BYRNES. I was out of the Chamber.

Mr. BONE. I was merely calling attention to the fact that this factory in Philadelphia existed, and that for some obscure reason an effort was made in the naval bill to destroy it, and I am protesting the spirit which seems to animate us in dealing with this matter, rather than with what was done with it.

Mr. BYRNES. I desire to say to the Senator that while it is true that the House inserted the language to which he objects, the Senate struck it out, and in conference the position which the Senator favors was sustained by the conferees; so that under the language of the report, as finally agreed upon, the Philadelphia factory will be permitted to continue to manufacture not only engines but airplanes.

Mr. BONE. I am fully aware of that. The Senator from South Carolina was absent while I was speaking.

Mr. BYRNES. Yes.

Mr. BONE. I am fully aware of that; but what I am pointing out now is that even with a little, dinky appropriation for this little, dinky factory—if I may use that vulgarity—we have this fight each time. I thought in 1934 that we had gotten to a point where we had served sufficient notice on the world at large that Uncle Sam intended to do a little something in the way of protecting himself. I am not criticizing the attitude of my colleagues who were on the committee. I am fully aware of what was done with the bill, because I have it in front of me; but I was trying to point out, in my brief remarks, that in this preparedness program I cannot understand the attitude of public officials who object to this Government fortifying itself by getting ready to build its own equipment. Why do we always appear to very assiduously lick the boots of private naval builders and private airplane companies? Perhaps that is too harsh an indictment; but year in and year out, if we raise a demand here for a dollar of further activity in the direction of public building, we meet this sort of criticism; and next year when the naval bill comes over, or the military bill, we shall have the same little jokers in it that we shall have to fight and try to get out.

Mr. BYRNES. Mr. President, with reference to the remarks of the Senator, I only wish to call the attention of the Senator to the fact that while it is true that in the House language was inserted in the naval appropriation bill which would have discontinued the manufacture of airplanes and of airplane engines at the Philadelphia factory, in the bill as it has passed the Senate and in the conference report the position which the Senate favors is sustained, and there is no prohibition against the Philadelphia factory continuing the manufacture of planes and engines.

Mr. BONE. Again at the expense of being a bit tedious, I may say to the Senator that I raise no issue of that kind. I never raised that issue. I merely am commenting on the fact that those of us who believe in adequate preparedness

find ourselves confronting, right here in the Congress of the United States, under a so-called New Deal, the same peculiar kind of loyalty to the men who, by their extreme conduct—that is a rather mild way of putting it—brought about the revulsion of feeling that put Franklin D. Roosevelt in the White House. These ship subsidies and air-mail subsidies were a stench; and yet, when we try to lay hands on this sort of business, we meet with objections, and I think it does not square with our professions of loyalty to a new deal.

I am not insisting here that the Government manufacture everything it uses; but certainly the small amount of money necessary to expand our naval and military facilities ought not to be challenged as something un-American. The peculiar part of it, I will say to the Senator from South Carolina, is that there is a certain type of mind that sees nothing wrong in a private outfit building a military airplane or a naval airplane engine but sees something sinister, un-American, and corrupt in the Government doing it for its own protection. I cannot follow that kind of philosophy.

Mr. BYRNES. I agree with that. We cannot regulate all kinds of minds; but so long as the majority of the minds are right, the country is safe, and the Senator, I know, will be satisfied.

REGULATION OF COMMODITY EXCHANGES

The Senate resumed the consideration of the bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes.

Mr. MURPHY. Mr. President, I ask to have the next amendment stated.

The PRESIDING OFFICER. The next amendment will be stated.

The LEGISLATIVE CLERK. The next amendment appears in the committee print on page 14, line 24, after the word "issued", to insert certain words, so as to read:

All registrations shall expire on the 31st day of December of the year for which issued, and shall be renewed upon application therefor unless the registration has been suspended (and the period of such suspension has not expired) or revoked after notice and hearing as prescribed in section 4g of this act.

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 15, line 14, it is proposed to strike out the word "hereunder" and insert "thereunder", so as to read:

Sec. 4g. If any person registered hereunder as a futures commission merchant or floor broker shall violate any of the provisions of this act, or any of the rules or regulations of the Secretary of Agriculture thereunder, or shall fail or refuse to make any report required by the Secretary of Agriculture regarding the transactions of such person, or the transactions of the customers thereof—

And so forth.

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 16, line 12, it is proposed to strike out "delivery that" and insert "delivery, that", so as to read:

Sec. 4h. It shall be unlawful for any person—

(1) to conduct any office or place of business anywhere in the United States or its territories for the purpose of soliciting or accepting any orders for the purchase or sale of any commodity for future delivery, or for making or offering to make any contracts for the purchase or sale of any commodity for future delivery, or for conducting any dealings in commodities for future delivery, that are or may be used for

(A) hedging any transaction in interstate commerce in such commodity or the products or byproducts thereof, or

(B) determining the price basis of any such transaction in interstate commerce, or

(C) delivering any such commodity sold, shipped, or received in interstate commerce for the fulfillment thereof—

And so forth.

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 18, after line 7, it is proposed to insert:

Sec. 4j. Nothing herein contained shall be construed so as to prevent the suspension or expulsion of any person from membership, or membership privileges, in any exchange or board of trade, or similar institution.

Mr. MURPHY. Mr. President, this amendment is presented by the Senator from South Carolina; and I should like to invite his attention to it.

Mr. SMITH. Mr. President, I wish to say just a word in reference to the amendment, and then I shall have concluded.

Reading the context carefully, my first impulse when I drew this amendment was that it might be possible for someone so to abuse his privileges that the exchange or the board of trade might expel him for good and sufficient reasons; but it has been brought to my attention that this provision would give them power to expel those whose membership in other organizations might not be acceptable.

In view of the fact that the expulsion and license and registration are safeguarded, I have no objection to the amendment being rejected.

Mr. McNARY. Mr. President, will the Senator yield, that I may suggest the absence of a quorum? A number of Senators on this side have expressed a desire to be present when this amendment was brought up.

Mr. MURPHY. I may say to the Senator that the amendment has been withdrawn.

Mr. McNARY. Withdrawn temporarily, or permanently?

Mr. SMITH. Permanently.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment.

The LEGISLATIVE CLERK. It is proposed, on page 19, line 21, to strike out the words "when so directed by the Secretary of Agriculture", so as to read:

(3) require the operators of warehouses in which or out of which any commodity is deliverable on any contract for future delivery made on or subject to the rules of such contract market, to make such reports, keep such records, and permit such warehouse visitation as the Secretary of Agriculture may prescribe. Such books and records shall be required to be kept for a period of 3 years from the date thereof, or for a longer period if the Secretary of Agriculture shall so direct, and such books, records, and warehouses shall be open at all times to inspection by any representative of the United States Department of Agriculture or United States Department of Justice.

The amendment was agreed to.

The next amendment was, on page 21, line 2, after the word "congestion", to insert a colon and the words "Provided, however, That such order shall not apply to then existing contracts", so as to read:

(4) when so directed by order of the Secretary of Agriculture, provide for a period, after trading in contracts of sale of any commodity for future delivery in a delivery month has ceased, during which contracts of sale of such commodity for future delivery in such month may be satisfied by the delivery of the actual cash commodity. Whenever, after due notice and opportunity for hearing, the Secretary of Agriculture finds that provision for such a period of delivery for any one or more commodities or markets would prevent or tend to prevent "squeezes" and market congestion endangering price stability, he shall, by order, require such period of delivery (which shall be not less than 3 nor more than 10 business days) applicable to such commodities and markets as he finds will prevent or tend to prevent such "squeezes" and market congestion: *Provided, however, That such order shall not apply to then existing contracts.*

The amendment was agreed to.

The next amendment of the committee was, on page 21, line 9, after the word "of", to strike out the words "delivery, at least 3 business days prior to such date" and to insert in lieu thereof the words "delivery at least 1 business day prior to such date of delivery"; and on line 20, after the word "unfair", to strike out the words "practices; and" and to insert in lieu thereof the words "practices: *Provided, however, That such order shall not apply to then existing contracts*", so as to read:

(5) require the party making delivery of any commodity on any contract of sale of such commodity for future delivery to furnish the party obligated under the contract to accept delivery, written notice of the date of delivery at least 1 business day prior to such date of delivery. Whenever, after due notice and opportunity for hearing, the Secretary of Agriculture finds that the giving of longer notice of delivery is necessary to prevent or diminish unfair practices in trading in any one or more commodities or markets, he shall by order require such longer notice of

delivery (which shall be not more than 10 business days) applicable to such commodities and markets as he finds will prevent or diminish such unfair practices: *Provided, however*, That such order shall not apply to then existing contracts.

Mr. McNARY. Mr. President, I do not understand the full meaning of the amendment on line 20. Is it a committee amendment?

Mr. MURPHY. Yes; it is a committee amendment.

Mr. McNARY. Very well.

Mr. MURPHY. The amendment also has the approval of the Secretary of Agriculture, and was suggested by him. It gives warehouse receipts issued by a Federal warehouse the same standing as those issued by a State warehouse.

Mr. McNARY. It places both the Federal and State warehouses on a parity?

Mr. MURPHY. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 22, line 2, after the word "officially" to strike out "promulgated." and to insert the following:

promulgated; and

(7) require that receipts issued under the United States Warehouse Act (U. S. C., 1934 ed., title 7, secs. 241-273) shall be accepted in satisfaction of any futures contract, made on or subject to the rules of such contract market, without discrimination and notwithstanding that the warehouseman issuing such receipts is not also licensed as a warehouseman under the laws of any State or enjoys other or different privileges than under State law: *Provided, however*, That such receipts shall be for the kind, quality, and quantity of commodity specified in such contract and that the warehouse in which the commodity is stored meets such reasonable requirements as may be imposed by such contract market on other warehouses as to location, accessibility, and suitability for warehousing and delivery purposes.

The amendment was agreed to.

The next amendment was, on page 26, line 11, after the words "board of trade", to insert the following proviso: "*Provided, however*, That if any such association or corporation shall fail to meet its obligations with any established clearing house or clearing agency of any contract market, such association or corporation shall be ipso facto debarred from further trading on such contract market, except such trading as may be necessary to close open trades and to discharge existing contracts in accordance with the rules of such contract market applicable in such cases", so as to read:

Sec. 9. The Grain Futures Act is amended by adding after section 6 (U. S. C., 1934 ed., title 7, secs. 8, 9, 10, and 15) the following new sections:

"Sec. 6a. (1) No board of trade which has been designated as a 'contract market' shall exclude from membership in, and all privileges on, such board of trade any association or corporation engaged in cash commodity business having adequate financial responsibility which is organized under the cooperative laws of any State, or which has been recognized as a cooperative association of producers by the United States Government or by any agency thereof, if such association or corporation complies and agrees to comply with such terms and conditions as are or may be imposed lawfully upon other members of such board, and as are or may be imposed lawfully upon a cooperative association of producers engaged in cash commodity business, unless such board of trade is authorized by the Commission to exclude such association or corporation from membership and privileges after hearing held upon at least 3 days' notice subsequent to the filing of complaint by the board of trade: *Provided, however*, That if any such association or corporation shall fail to meet its obligations with any established clearing house or clearing agency of any contract market, such association or corporation shall be ipso facto debarred from further trading on such contract market, except such trading as may be necessary to close open trades and to discharge existing contracts in accordance with the rules of such contract market applicable in such cases. Such Commission may prescribe that such association or corporation shall have and retain membership and privileges, with or without imposing conditions, or it may permit such board of trade immediately to bar such association or corporation from membership and privileges. Any order of said Commission entered hereunder shall be reviewable by the circuit court of appeals for the circuit in which such association or corporation, or such board of trade, has its principal place of business, on written petition either of such association or corporation or of such board of trade under the procedure provided in paragraph (a) of section 6 of this act, but such order shall not be stayed by the court pending review."

The amendment was agreed to.

The next amendment was, on page 27, after line 6, to strike out the following:

(2) No rule of any board of trade designated as a "contract market" shall forbid or be construed to forbid the payment of compensation on a commodity unit basis or otherwise by any such cooperative association to its regional or local member associations for business received by such cooperative association, provided no part of any such compensation other than amounts paid as dividends on capital stock is returned to producer patrons of such regional or local member associations otherwise than on a patronage basis and not more frequently than annually; nor shall the governing body of any board of trade designated as a contract market exclude from membership in, and all privileges on, such board of trade any duly authorized representative of any cooperative association as herein defined, which is otherwise qualified, because of the payment of such compensation.

And to insert in lieu thereof the following:

(2) No rule of any board of trade designated as a contract market shall forbid or be construed to forbid the payment of compensation on a commodity-unit basis, or otherwise, by any federated cooperative association to its regional member-associations for services rendered or to be rendered in connection with any organization work, educational activity, or procurement of patronage, provided no part of any such compensation is returned to patrons (whether members or nonmembers) of such cooperative association, or of its regional or local member-associations, otherwise than as a dividend on capital stock or as a patronage dividend out of the net earnings or surplus of such federated cooperative association.

Mr. McNARY. Mr. President, this language plainly modifies the Grain Futures Act as enacted some years ago. Will the Senator explain the reasons for the modification of the existing act with respect to the contract markets?

Mr. MURPHY. Mr. President, under the original language of paragraph 2 of section 6a on page 27, a central cooperative association might contract with a local member association for business received on a bushelage basis, providing no part thereof was returned to producer patrons of such local association. The Secretary of Agriculture considered this to be a violation of exchange rules against rebating and suggested the substitute language commencing in line 22, on page 27. The only change made by the committee was the insertion of the word "federated" on line 9, on page 28, the effect of which now is to authorize the central cooperative association to contract with its regionals on a bushelage basis for services rendered, but prevents the refunding of such moneys to either the regional organizations or local organizations, except as a result of a duly declared dividend on the capital stock or on patronage out of the net earnings of such cooperative association.

Mr. McNARY. Mr. President, I believe I am correctly informed that the grain cooperatives ask for a modification as specified in the pending language.

Mr. MURPHY. I am sorry there is so much confusion, I cannot hear the Senator.

Mr. McNARY. I am advised that the cooperatives dealing in grain have asked for a modification of the provision of law as contained in this specific language.

Mr. MURPHY. My understanding is that they give agreement to this amendment, except that I think there was one exception. If my memory serves me correctly, the National Grange protested against it, but everybody else seemed in agreement in its acceptance.

Mr. NORRIS. Mr. President, my impression was that all the cooperatives desired to have this provision inserted. There had been disputes between the board of trade and certain cooperatives, the charge being made that rebates had been allowed, and it was claimed they could not operate with that practice in vogue. This amendment is proposed in order to correct that situation. The general cooperative can pay to the regional cooperative for services rendered, and that is made a legitimate operation of a cooperative organization. In fact, this is necessary, unless we would prohibit the cooperative from doing some of the things which are absolutely necessary to be done in order that there may be cooperatives.

Mr. HATCH. Mr. President, I believe I am correct in saying that this is the amendment which was presented by the cooperatives, who stated it was a compromise. It is not

all they desired, but it is the best they could get. They do not think it covers the situation as fully as they desire, but it does represent a compromise among all parties. Is not that correct?

Mr. MURPHY. Mr. President, I have no recollection on that point.

Mr. POPE. Mr. President, I think the statement of the Senator from New Mexico [Mr. HATCH] is entirely correct. It is the desire of the board of trade that the practice of granting rebates by the regionals to their members be stopped, and that has been attempted by the pending amendment. There are some regionals which were opposed to it but the Secretary has reported this as being a fair compromise, a fair provision as between the contentions of the board of trade and certain regionals, and it appears to me to be perfectly fair. It does not seem to me to be fair that a regional may pay out what amounts to a rebate, contrary to the rules of the board of trade, and thus undermine the whole market condition.

Mr. VANDENBERG. Mr. President, not with particular reference to the pending amendment, but more particularly with reference to my colloquy yesterday with the able junior Senator from Idaho [Mr. POPE], I desire to ask either the Senator from Idaho or the Senator from Iowa [Mr. MURPHY] for one further and perhaps final interpretation respecting the general effect of the bill.

I am referring to the right of legitimate hedging. It is quite plain what the bill does in respect to contract markets, floor brokers, commission merchants, and so forth. What I wish to know is, What happens to the little flour miller, of whom there are thousands across the country, who finds it necessary to hedge his wheat purchases? There is no argument anywhere as to the legitimacy of such an operation; and it is my understanding that the bill undertakes definitely, specifically to recognize his right to proceed with legitimate hedging. My question is, What happens in respect to the individual miller if one of his hedging operations is questioned as to its bona fides? What then happens?

Mr. POPE. Mr. President, will the Senator yield?

Mr. MURPHY. I yield.

Mr. POPE. Since yesterday I have studied that matter rather carefully and have come to the conclusion that whether or not the small miller who desires to engage in hedging operations is a member of the board of trade, he may hedge to the full extent of the definition contained in the bill; but if he exceeds in his purchase or sale of futures, the amount or value of the actual grain against which he is hedging, nothing will be done until he exceeds the limit which may be fixed by the Commission—say, 2,000,000 bushels a day—as the amount to which one who is operating on the market may engage in speculative transactions.

If he exceeds the limit fixed by the Commission, he may be punished in two ways, which are provided in the bill. The Commission, after full hearing, and with a right to judicial review, may withdraw from him or deprive him of his privileges to trade on the exchange. Then I find that there is in the bill a general provision which requires that such a man be also prosecuted criminally in the courts. So this is what will happen: If he merely exceeds his right to hedge under the definition in the bill, but does not exceed the limit which may be fixed, nothing, of course, will be done, because he has a right to engage in purely speculative trading, beyond hedging, up to whatever limit may be fixed by the Commission; but when he exceeds that limit he will be subject to the penalties of the statute.

Mr. VANDENBERG. Mr. President, then, from the Senator's statement, I should think that in practical effect there probably could not be any embarrassment or difficulty for the average small miller who is attempting legitimately to hedge, and who might merely miss the limitation by some casual miscalculation.

Mr. POPE. Exactly so. After coming to this conclusion I conferred with the Grain Futures Administration and with their attorney, and found that their judgment confirms the statement I made—that no attention would be paid or could be paid to trading in futures beyond legitimate hedging until

the limit that might be fixed for speculative trading should be reached.

Mr. VANDENBERG. I thank the Senator for his statement.

MISSISSIPPI RIVER FLOOD CONTROL

Mr. CLARK. Mr. President, yesterday I entered a motion to reconsider the vote by which the House amendments to the so-called Overton bill, being the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, had been disagreed to, and the bill sent to conference. I did that for two reasons: Because I am very much in favor of the House amendment to the Overton bill providing for certain dams on the White River in Arkansas and Missouri; also, because I personally could not see any reason on earth why the principle of local contribution and State contribution which has been applied in the case of the omnibus flood-control bill should not be also applied to the Overton bill.

After conferences with the majority leader and other Senators very much interested in the measure, I have come to the conclusion that the whole project might be forwarded very much by sending this bill to conference. I therefore desire to withdraw the motion which I entered yesterday for the reconsideration of the vote by which the House amendments were disagreed to and a conference asked with the House.

Mr. NORRIS. Mr. President, a parliamentary inquiry. As I understand the rules of the Senate, the Senator from Missouri may not withdraw his motion to reconsider except by unanimous consent. I have no objection to his doing so, but I desire to have the record correct.

Mr. CLARK. My understanding is that within the 2-day limit the Senator who enters such a motion may withdraw it. I purposely came over to take up the matter this afternoon for that very reason.

Mr. NORRIS. There is a positive inhibition in the rules against the withdrawal of a motion to reconsider except by unanimous consent.

Mr. CLARK. Then I will ask unanimous consent to do so; but I understood that it was the privilege of any Senator within the time limit to withdraw a motion to reconsider, so that he should not preclude any other Senator from entering it.

Mr. NORRIS. But some Senator might be absent, and not be aware of what was done.

Mr. CLARK. Then, to obviate any dispute about the matter, I ask unanimous consent to withdraw the motion to reconsider the vote by which the House amendments to the so-called Overton bill were disagreed to and the bill was sent to conference.

The PRESIDING OFFICER (Mr. MURRAY in the chair). Is there objection? The Chair hears none, and the motion to reconsider is withdrawn.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

REGULATION OF COMMODITY EXCHANGES

The Senate resumed the consideration of the bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes.

Mr. MURPHY. Mr. President, the following provision appears in the bill at page 10, line 21:

Nothing in this section shall be construed to prevent the exchange of futures in connection with cash commodity transactions or of futures for cash commodities, or of transfer trades or office trades if made in accordance with board of trade rules applying to such transactions and such rules shall not have been disapproved by the Secretary of Agriculture.

So that the small individual for whom the Senator is solicitous would suffer no embarrassment at all under the bill. It is primarily designed to cure excessive speculation, whatever that may be determined to be.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 27, line 7.

The amendment was agreed to.

Mr. MURPHY. Before proceeding with the next amendment, on page 31, dealing with cotton, I suggest that on page 2, line 14, there is an amendment which was passed over, to strike out "butter, and eggs." My understanding is that it is the purpose of one of the Senators to take that up.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. In section 3, on page 2, line 14, it is proposed to strike out "butter, and eggs."

Mr. AUSTIN. Mr. President, if the pending legislation is to be enacted, and the commodities which dairymen have to buy from other sections of the country and obtain in interstate commerce are to have their prices fixed by a centralized authority such as that to be established by the proposed legislation, all of which I must confess I am not in sympathy with, I think it is economically fair that butter in particular should be included among the commodities comprehended by the bill, because the price of butter affects directly, and almost immediately, the price of fluid milk and of cream. I am informed that if there is need for the proposed legislation on account of speculation in the other commodities mentioned in the bill, by the same token there is need for it with respect to butter.

I am not personally familiar with the facts. Therefore, I rely upon a statement prepared by the National Cooperative Milk Producers' Federation, Charles W. Holman, secretary, 1731 I Street, NW., Washington, D. C., which represents to me with respect to dealing in futures substantially as follows:

Most of the future trading in butter is done on the Chicago futures market. Taking the year 1932 as an example, we find that 400,000,000 pounds of futures were sold on the Chicago market. This represented approximately 25 percent of the total production of creamery butter in the United States for that year. Most of the future trading in butter is done in connection with the storing and holding of butter from the summer to late fall and winter. The maximum amount of butter in storage in the four principal markets of the country in any one month during that year was 49,306,000 pounds. It is reasonable to assume, therefore, that speculative trading was at least nine times more than was necessary to cover legitimate hedging operations. This was approximately the same amount of speculative trading that is found on the wheat and cotton markets.

Mr. President, assuming that statement to be true, it occurs to me that the same objective which the bill apparently has for other commodities should be applied to butter, in order that there may not be a dislocation of the economic rights in the market of those whose principal occupation is dairying, and those whose principal occupation is raising food for dairy cattle, among other things.

I ask unanimous consent to have printed in the RECORD, in connection with my remarks at this point, the entire memorandum to which I have just referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The memorandum is as follows:

MEMORANDUM RE PLACING BUTTER IN THE COMMODITY-EXCHANGE BILL

The commodity-exchange bill, H. R. 6772, as adopted by the House of Representatives, proposes to regulate speculative trading, not only in grain, cotton, and other similar commodities, but also in butter.

This bill was reported out by the Senate Committee on Agriculture and, after being placed on the calendar, a hearing was granted to certain interests opposed to the bill.

After this hearing, the Senate Committee on Agriculture voted to strike butter and eggs out of the bill.

At the hearing on the bill, Donald Kane, representing the National Cooperative Milk Producers' Federation, a federation of 55 dairy cooperative-marketing associations having a farm membership of more than 360,000 dairy farmers, appeared in support of having butter covered by the bill. The members and submembers of this federation market every kind of dairy products, and their operations cover the whole of the United States.

His appearance was also made specifically for the butter members of the federation, all of whom requested that butter be covered by the commodity-exchange bill, including Land O'Lakes Creameries, Inc., of Minneapolis, a farmers' cooperative organization having 400 local cooperative creamery associations as its members, located largely in Minnesota, Wisconsin, North Dakota, and South Dakota; Challenge Cream & Butter Association, a

farmers' cooperative association having a membership of 18 local cooperative creameries in California, Idaho, Wyoming, Colorado, Nevada, and Utah; United Dairymen's Association, a farmers' cooperative association having 12 local cooperative creamery members in the States of Washington and Idaho; the Interstate Associated Creameries, a farmers' cooperative association having a membership of eight cooperative creameries located in the State of Oregon; Dairy & Poultry Cooperatives, Inc., a farmers' cooperative association having a membership of 50 local cooperative creameries in Iowa, Nebraska, North Dakota, and South Dakota; and Mid-West Producers' Creameries, Inc., a farmers' cooperative association having a membership of 19 local cooperative creameries in Indiana and Michigan.

According to a recent report of the Farm Credit Administration, approximately 36 percent of the creamery butter sold in the United States is marketed by cooperative creameries, and of this 36 percent, over 60 percent is marketed by the associations represented by the National Cooperative Milk Producers Federation, and who requested the inclusion of butter in the Commodity Exchange bill.

The inclusion of butter in the bill was opposed by representatives of the organized produce exchanges of New York and Chicago.

In addition to the request that butter be included in the bill on the part of the National Cooperative Milk Producers Federation, the committee was urged to retain butter in the Commodity Exchange bill by representatives of the American Farm Bureau Federation, the National Grange, and the National Farmers' Union.

Accordingly, the issue is clearly drawn. The farmers of the country practically unanimously requested that butter be included in the Commodity Exchange bill. Representatives of the produce markets of Chicago and New York, who make their living out of handling our farmers' butter, are opposed to any regulation. The question involved is a simple one. Will the Senate follow the wishes of the farmers of America in this connection, or follow the wishes of the organized produce exchanges?

It is obvious to anyone who studies a chart of butter prices throughout the year, that the violent fluctuations in butter prices cannot be accounted for in any reasonable manner by long-time supply and demand conditions.

The lowered prices of butter in the flush period when production is heavy and when butter is being put in storage is easy to understand, and is probably economically justifiable. Fluctuations in prices, however, during the winter months when production is at its lowest and when the purchasing power of the public is relatively stable, cannot be justified by normal economic factors. There can be no question but that these price changes in the winter months are occasioned, at least in part, by speculative manipulation on the butter exchanges.

On April 16, just barely a month ago, the price of butter in Chicago dropped 4 cents in 1 day. Although a part of this drop might be attributed to the fact that we are approaching our flush season, the full drop of 4 cents cannot be accounted for in this manner. Speculative influence had their part in causing this terrific 1-day smash which meant thousands of dollars in lower returns to every dairy farmer in the country on the following day when he was delivering his butterfat to his local creamery.

Much is made of the fact that no abuses have been proven relative to speculative operations in butter futures. This is due largely to the fact that up to the present time there has been no power in any Federal agency to require reports and to obtain statistics relative to the operation of speculators in the butter markets. On the other hand, nowhere in the evidence presented by opponents of having butter in the Commodity Exchange bill is any real evidence produced as to why butter should not be in the bill. The representatives of the produce exchanges apparently proceed on the theory that since there is no definite statistical data available relative to the operations of the speculators in the butter market that the speculators are entitled to some God-given right to gamble in the products of dairy farmers without any regard to the effect that it may have upon the prices that our farmers receive for butterfat on the farm.

Not only does the speculative influence of gamblers on the butter market affect the farmers who are delivering their butterfat to creameries, but it likewise affects every dairy farmer, whether he is selling his milk for fluid-milk purposes, for cheese, or for any other manufactured dairy-product purpose. Butter is the fundamental factor involved in the price of all dairy products. The price for other dairy products, including fluid milk and cheese, go up and down as the butter market goes up and down. The influence of butter prices on fluid-milk prices, and other dairy-product prices is not felt as rapidly as it is felt by farmers delivering to creameries, but the result over a long-time period is identical.

In addition to the influence of butter prices on fluid-milk prices, i. e., on bottled milk sold for consumption, butter prices have a substantial effect on all fluid-milk areas in their influence on the price of cream for consumption as such and also where used in the manufacture of ice cream. In practically every milk market in the country the price of cream is fixed by a formula based on the price of butter, either at New York or at Chicago; thus the returns to dairy farmers in the fluid-milk areas depends to a considerable extent on the price at which butter is sold.

With all of the dairy farmers of the country so vitally interested in butter prices and with the provision in the bill which exempts legitimate hedging from operations of the bill, it is difficult to see how the Senate committee could vote to take butter out of the commodity exchange bill, with the resultant benefit accruing only to a few speculators whose only interest in the

butter market is the amount of money they can make through their speculations.

Briefly, as far as butter is concerned, the effect of the bill would be as follows:

1. Every commission merchant or broker dealing in butter futures would be required to register with the Secretary.

2. A system of reporting is definitely set up which would enable the Secretary of Agriculture to compile information not now available with respect to speculative holdings, both long and short, in butter.

3. If, under the reporting section mentioned above, evidence becomes available indicating that limits should be fixed on the amount of speculative trading which should be permitted in the butter market, the Commission which is provided for in the act, after due notice and opportunity for hearing, may fix limits on the amount of speculative trading which will be permitted.

4. Certain unfair and illegal practices are prohibited.

5. The bill provides definite protection for farmers' cooperative associations on their operations on the butter exchanges so that they cannot be unfairly discriminated against by private handlers of butter.

There is not one section of the bill which will work a hardship of any honest, legitimate concern, whether it is a cooperative or a private organization.

If the contention of the butter exchanges is correct, that no evil practices are being engaged in, the sole result of the bill will be to require that commission men and brokers register and that they report their speculative trading to the Secretary of Agriculture.

So long as the marketing system of the country permits speculative trading in farm commodities the speculators should have no objection to having some reasonable degree of governmental supervision over their speculation.

The Supreme Court of the United States has said that the future markets of the country are vested with a public interest, and if it is sound and wise governmental policy to exercise this supervision over speculative trading in grain and cotton, it is likewise sound that such governmental supervision be extended to cover butter, which is the cornerstone of the whole dairy industry, an industry which in dollars and cents is more important to the farmers of this country than either the cotton industry or the grain industry.

As far back as March of 1932 Secretary Hyde, the then Secretary of Agriculture, in writing to Senator McNARY relative to a bill introduced by Senator CAPPER to regulate the future sales of butter and eggs on commodity exchanges, indicated that the Department of Agriculture felt that because of the wide public interest in the operation of future exchanges, legislation covering the future sales of butter and eggs on commodity exchanges should be enacted by Congress. We believe that this opinion is also the opinion of the present Secretary of Agriculture.

Most of the future trading in butter is done on the Chicago futures market. Taking the year 1932 as an example, we find that 400,000,000 pounds of futures were sold on the Chicago market. This represented approximately 25 percent of the total production of creamery butter in the United States for that year. Most of the future trading in butter is done in connection with the storing and holding of butter from summer to late fall and winter. The maximum amount of butter in storage in the four principal markets of the country in any one month during that year was 49,306,000 pounds. It is reasonable to assume, therefore, that speculative trading was at least nine times more than was necessary to cover legitimate hedging operations. This was approximately the same amount of speculative trading that is found on the wheat and cotton markets.

In addition to the reasons which we have set out in this memorandum, a very substantial reason for including butter in the commodity exchange bill is found in the fact that if the speculative operations of gamblers is restricted on the grain and cotton exchanges and the produce exchanges are left open and free from any control, we can expect a substantial influx of speculators in the butter market. Here they will find a fertile field for their operations when such operations become difficult on the grain and cotton exchanges because of the provision in the commodity exchange bill.

Many of our member associations have indicated to us that already many of the speculators who formerly operated in the grain market in Chicago have changed the field of their operations to the butter market to avoid the necessity of placing their speculative operations under the scrutiny of the Secretary of Agriculture. With this situation already existing, we may confidently expect substantial increases in the speculative element on the butter exchanges unless the same checks on speculative operations on butter are imposed as are placed on grain, cotton, and other commodities covered by the bill.

We therefore respectfully request that the Senate defeat the amendment proposed by the Agricultural Committee to strike butter out of the commodity exchange bill.

MAY 20, 1936.

Mr. AUSTIN. Mr. President, I am opposed to striking the words "butter, and eggs" from the bill.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHWELLENBACH. Is a motion to divide the question as between "butter, and eggs" in order?

The PRESIDING OFFICER. The Chair will state that such a motion is in order.

Mr. SCHWELLENBACH. I make that motion, Mr. President.

Mr. MURPHY. Mr. President, what is the motion of the Senator from Washington?

Mr. SCHWELLENBACH. My motion is to divide the question as between "butter, and eggs", so that first vote will be with reference to butter and then with reference to eggs.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington to divide the amendment in section 3, page 2, line 14, so as to take separate votes on "butter, and" and "eggs."

The motion was agreed to.

The PRESIDING OFFICER. The question is on the amendment in section 3, page 2, line 14, to strike out the words "butter, and."

Mr. NORRIS. Mr. President, I inquire if any Senator has the floor?

The PRESIDING OFFICER. The Senator from Iowa [Mr. MURPHY] has the floor.

Mr. NORRIS. Very well.

Mr. MURPHY. Mr. President, in connection with the remarks of the Senator from Vermont [Mr. AUSTIN], I may say that the committee in reporting the bill struck out the words "butter and eggs" because there was no adequate showing of any abuses in the trading in futures in those commodities, and the committee felt that, in the absence of a showing of abuse, it was not justified in intruding the hands of the Federal Government into a private business which heretofore has been free from any governmental interference.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. MURPHY. I yield.

Mr. WALSH. Is there any appreciable trading in futures in butter and eggs?

Mr. MURPHY. There is.

Mr. WALSH. But the Senator says the committee found no abuses existing.

Mr. MURPHY. We found no abuses; at least, there was no testimony adduced showing that there was any particular abuse, no such comparable testimony as was piled up in the case of trading in grain futures.

Mr. WALSH. I assume there is a likelihood of some abuses in connection with the other commodities mentioned?

Mr. MURPHY. I think that is the apprehension that suggested the inclusion of those commodities in the bill.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. MURPHY. I yield.

Mr. MALONEY. Was there any outside suggestion that that portion of the bill as written by the House be stricken out?

Mr. MURPHY. Yes, very clearly so. There was outside suggestion that it be left in, and there was outside suggestion that it be stricken out. There were, as I recall, three witnesses representing the egg industry before the committee who asked the exclusion of eggs.

Mr. MALONEY. I should like to say to the Senator in that connection, if I may, that those engaged in the poultry industry in my neighborhood, insofar as I have been able to ascertain their attitude, favor the inclusion of eggs.

Mr. MURPHY. I may say further that we have had a much closer touch with people engaged in the industries since the amendments of the committee were reported than we had during the time the bill was being considered by the committee.

Mr. WALSH. Mr. President, will the Senator yield further?

Mr. MURPHY. I yield to the Senator from Massachusetts.

Mr. WALSH. If I understand the Senator correctly, his position and that of the committee is that when private business behaves itself the Government should not undertake to regulate it?

Mr. MURPHY. That is the belief I have expressed, and it is my own individual view. I am perfectly willing to have

any industry regulated when it is shown that it has made a license out of liberty, but the testimony submitted to the committee in this case did not establish anything of the kind. For that reason, I was influenced to advocate the elimination of butter and eggs.

Mr. POPE. Mr. President—

Mr. MURPHY. I yield to the Senator from Idaho.

Mr. POPE. Mr. President, I desire to read two paragraphs from a memorandum which I asked the Grain Futures Administration to prepare in connection with this amendment. I shall read the two paragraphs and content myself with the statement contained in them. The paragraphs read as follows:

A study of the record of the hearings before the Senate Committee on Agriculture and Forestry shows very clearly that the Chicago and New York Mercantile Exchanges don't want to submit to regulation as provided in this bill. The four representatives who appeared for these two exchanges made a strong effort to show that trading in butter and egg futures differs materially from the trading in grain for future delivery and contended that if legislation was enacted, butter and eggs should be dealt with in a separate measure.

The trading in futures in butter and eggs does not differ from the trading in wheat or any other commodity covered by this bill. Future trading in butter and eggs is subject to the same abuses and the same speculative and manipulative influences that apply to wheat and in the interest of the producers of butter and eggs they should be included and such exchanges should be regulated.

The inclusion of butter and eggs was approved by the Department of Agriculture and was strongly supported by the farm groups who appeared before the Senate Committee on Agriculture and Forestry.

I think that is a fair statement of the situation.

Mr. NORRIS. Mr. President, I inquire if an amendment is pending to the committee amendment?

The PRESIDING OFFICER. The committee amendment was divided. The first vote will be taken on striking out the words "butter and".

Mr. NORRIS. Then, there will be two votes on the amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. NORRIS. Mr. President, I wish to say just a few words about the pending proposal.

In my opinion, it is not a fundamental amendment. There never has been as much evil connected with the future trading in butter and eggs as there has been in the grain future trading, but the principle, so far as I can see, is exactly the same. Very little evidence was adduced before the committee on the subject. The Senator from Iowa and the Senator from Idaho have stated the facts as they appeared there. The fear was expressed by some that after the passage of this bill for regulating future trading in grain there would be an increase of future trading in butter and eggs and that all the evils found to exist in the past in connection with trading on the grain futures market would come into being in the trading in butter and eggs. Some evils do now exist, but I do not claim, and I think no one else claims, that the evils are to be compared with those which have grown up on the grain futures trading market.

However, I do not see, in the first place, how anyone will be harmed by the inclusion of butter and eggs in the bill, and it seems, unless they are included, that there will be an increase in gambling operations in them on the two great mercantile exchanges, in Chicago and New York, which are practically the only ones existing now so far as butter and eggs are concerned, although others will probably spring up.

It is said, with some degree of reason I think, that we should not legislate on this subject until there shall have been complaint made and agitation for legislation. So long as no injury can ensue, so long as fundamentally the same principle is involved, I do not believe it is wise, Mr. President, for us to fail to legislate on this subject, and to insist that before legislation is enacted those interested in butter and eggs will have to agitate and make a showing. If they shall have to follow the same proceeding that the grainmen have had to follow, it will be years before they will get any legislation that will rectify the evils which I

think will creep into the business to a greater extent than now exists after gambling is prohibited in grain operations by the passage of this bill.

On this proposition I agree with the Senator from Vermont, and I think the butter producers in the main also agree. The grainmen see the necessity of this proposed legislation. The buttermen, especially the leaders in the great farm organizations that have come in contact with the evils that have existed incident to the gambling in futures on the grain exchanges, so far as I know, are all favorable to keeping butter and eggs in the bill, because from their experience they realize that, while the evils are not nearly so great, they do exist now in some minor form, and they fear an increase of those evils if we do not keep butter and eggs in the bill. While it is not necessary to keep butter and eggs in or to keep butter and eggs out to make a good bill of it, it seems to me to round out the bill we ought to keep them in. I myself am opposed to striking either one out.

The PRESIDING OFFICER. The question is on the amendment proposing to strike out the words "butter and."

Mr. COPELAND. Mr. President, may I ask if there was a hearing on the matter of the inclusion or exclusion of butter and eggs?

Mr. MURPHY. The committee held long hearings on the bill, and I think approximately 45 minutes were devoted to witnesses who protested against the inclusion of butter and eggs.

Mr. COPELAND. The information I have from my section of the country is that it is not the desire to have butter and eggs included in the bill. Their feeling is that these commodities, being perishable, are entirely different from cotton, wheat, and other products, but, in any event, they are desirable, before butter and eggs shall be included, that there should be a hearing in order that the view which they hold might be represented. So I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment striking out the words "butter and."

Mr. COPELAND. How will the vote be taken? How should Senators vote who desire to strike butter and eggs from the bill?

The PRESIDING OFFICER. Those in favor of striking out "butter and" will vote "yea", and those opposed will vote "nay." The question is on the amendment proposing to strike out the words "butter and."

Mr. FRAZIER. Mr. President, in the hearings before the committee the cooperatives representing dairy products and poultry products protested against the striking out of the provision relating to butter and eggs. They were in favor of keeping butter and eggs in the bill.

I have a letter from Mr. Charles W. Holman, secretary of the National Cooperative Milk Producers Federation, with an office in Washington, enclosing a copy of a letter written to the clerk of the Committee on Agriculture and Forestry of the Senate under date of April 17, from which I wish to read just one paragraph:

Our federation, representing more than 360,000 dairy farmers who are engaged in marketing their milk, butter, cheese, and other dairy products through 55 cooperative marketing associations, desires to enter an appearance at the hearing and present evidence giving reasons why we feel that butter should be kept in the commodity exchanges bill.

Representatives of the federation came before the committee and presented statements along that line.

Mr. COPELAND. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New York?

Mr. FRAZIER. Certainly.

Mr. COPELAND. I understood the Senator from Iowa [Mr. MURPHY] to state that those who appeared were in opposition to this provision of the bill.

Mr. MURPHY. Mr. President, perhaps I overlooked the attorney for the National Milk Producers Federation, who did suggest the inclusion of these items.

Mr. COPELAND. But with the exception of the attorney the testimony was in favor of striking them out?

Mr. MURPHY. That is the fact, as I recall.

Mr. FRAZIER. Mr. President, I have before me a copy of the hearings held by the Committee on Agriculture and Forestry, at page 189 of which appears the statement of Donald Kane, attorney for the National Milk Producers' Federation. He told how many organizations he represented at that hearing. He said he spoke for a large number, indeed practically all, of the cooperative organizations in the country. He made a very strong statement in favor of keeping butter and eggs in the bill. He said trading is going on and there is no way of knowing how much that trading will increase in the future. For the protection of those who produce dairy products and poultry products this provision should be retained in the bill in order to protect them.

In my State the farmers' union organization have a number of cooperative poultry associations which are very strongly in favor of keeping this provision in the bill. The dairy organizations hold the same view. The attorney to whom I refer represents, among others, the Land O'Lakes organization of Minnesota, with over 400 cooperative creameries, all in favor of keeping butter and eggs in the bill.

Mr. President, there are a number of Senators interested in the amendment who are not on the floor at this time. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Radcliffe
Ashurst	Connally	La Follette	Reynolds
Austin	Coolidge	Lewis	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Couzens	Long	Schwollenbach
Barkley	Davis	McAdoo	Sheppard
Benson	Donahay	McGill	Shipstead
Bilbo	Duffy	McKellar	Smith
Black	Fletcher	McNary	Steiwer
Bone	Frazier	Maloney	Thomas, Okla.
Borah	George	Metcalf	Thomas, Utah
Brown	Gerry	Minton	Townsend
Bulkley	Gibson	Murphy	Truman
Bulow	Glass	Murray	Tydings
Burke	Guffey	Neely	Vandenberg
Byrd	Hale	Norris	Van Nuys
Byrnes	Hatch	Nye	Wagner
Capper	Hayden	O'Mahoney	Walsh
Caraway	Holt	Overton	Wheeler
Carey	Johnson	Pittman	White
Chavez	Keyes	Pope	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. DAVIS. Mr. President, I am opposed to the committee amendment. Pennsylvania is the second largest egg-producing State in the Union. It ranked first in 1935.

I desire to present for the RECORD a telegram from the Tri-County Producers' Cooperative Association of Montgomery County, Pa., having a membership of more than 400 poultrymen, and marketing nearly 1,000,000 dozen eggs per year; also a telegram from the Bradford County Egg Producers' Association, and a telegram from J. A. Supkan, president of the Lehigh Valley Egg Producers' Cooperative Association with a membership of 400, expressing their opposition to the proposal to strike eggs from the commodity exchange bill.

I urge the Senate to reject the committee amendment and, in support of my position, ask that the telegrams to which I have referred may be printed in the RECORD at this point.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

Hon. JAMES J. DAVIS:
An amendment to the Grain Futures Act, known as the commodity exchanges bill, is about to come before the Senate. This bill is designed to control speculation in and manipulation of grain, butter, and eggs by traders. This cooperative, composed of 405 poultrymen, is marketing nearly 1,000,000 dozen eggs per year. Any effort to strike out eggs from this bill would reflect a hardship to the poultry industry. Your support of this bill will be greatly appreciated by this organization.

TRI COUNTY PRODUCERS COOPERATIVE ASSOCIATION,
WORCESTER, MONTGOMERY COUNTY.

CENTERPOINT, PA., May 12, 1936.

ATHENS, PA., May 11, 1936.

Hon. JAMES J. DAVIS,
Senator:

On behalf of our association and all other poultrymen of the second largest egg-producing State, demand that you make every effort to retain the amendment to the Grain Futures Act of the commodity exchanges bill, as designed to control speculation and manipulation of grain, butter, and eggs by traders. We shall expect to hear from you just what stand and efforts you have taken relative thereto.

BRADFORD COUNTY EGG PRODUCERS,
CHARLES ZIMMERMAN, Secretary.

COATESVILLE, PA., May 11, 1936.

The Honorable JAMES J. DAVIS,
United States Senate:

This exchange, representing five hundred-odd members, seriously opposes the striking out of eggs from the commodity exchanges bill. We solicit your support in this matter.

S. S. BUFENMYER EGG PRODUCERS EXCHANGE.

CATASAUQUA, PA., May 12, 1936.

Senator JAMES J. DAVIS.

To the honorable Senator: From Lehigh Valley Egg Producers Cooperative Association of 400 producers, urge and pray you to oppose striking out of eggs from commodity exchanges bill designed to control speculation of same. Might we remind you of the fact that Pennsylvania ranked first in production of eggs for 1935 and should therefore ask for adequate protection. May I expect a favorable reply?

J. H. SUPKAN, President.

Mr. LA FOLLETTE. Mr. President, it is my understanding the amendment has been divided, and the question will come first on the recommendation of the committee to strike out the words "butter and." Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. LA FOLLETTE. I hope the Senate will not adopt the committee amendment. So far as I know, all the representatives of the farmers who produce butter have advocated that it be included as a commodity subject to the regulations provided in the bill.

Furthermore, it seems clear to me that the fluctuations in the prices of butter cannot be accounted for purely on the basis of the operation of the so-called law of supply and demand. Granting that there are bound to be fluctuations in price as between the flush season of production and the season when production diminishes, I contend that a survey will indicate that there is a speculative factor involved in the prices of butter.

Therefore, in view of the fact that all the representatives of the producers of this farm commodity are appealing to the committee and to the Congress for the inclusion of butter in this measure, I sincerely hope that the Senate will not deny them the protection to both the producer and the consumer, which I believe will be accorded by its inclusion.

So I trust the committee amendment will be rejected.

The PRESIDING OFFICER. The amendment having been divided, the question is on striking out the words "butter and."

Mr. SMITH. Mr. President, I think there is some misapprehension as to the manner in which the question is to be voted upon. I think the Chair should explain what an affirmative vote would mean and what a negative vote would mean in perfecting this amendment.

Mr. McNARY. Mr. President, did the Senator from New York request a division of the vote as between butter and eggs?

The PRESIDING OFFICER. The Senator from Washington [Mr. SCHWELLENBACH] requested it.

Mr. McNARY. Very well. Then the question arises on the adoption or rejection of the committee amendment?

The PRESIDING OFFICER. The part of it affecting butter.

Mr. McNARY. The part of it affecting butter. Those who desire butter to be included in the bill should vote "no" on the committee amendment?

Mr. NORRIS. Yes.

The PRESIDING OFFICER. Those in favor of the amendment striking out the words "butter and" will vote "aye", and those opposed to striking them out will vote "no." [Putting the question.] The yeas have it, and the first part of the amendment is rejected.

The question now is on the second branch of the amendment, striking out the word "eggs." [Putting the question.] By the sound the noes seem to have it. The noes have it, and the second branch of the amendment is rejected.

The clerk will state the next amendment.

The LEGISLATIVE CLERK. The next amendment appears on page 31, after line 13, where it is proposed to insert a new section, as follows:

SEC. 12. The Grain Futures Act is further amended by adding at the end thereof the following new section:

"SEC. 13. (a) The provisions of this section shall apply only with respect to cotton and cotton-futures exchanges or similar institutions.

"(b) Notwithstanding the foregoing provisions of this act, the trading limits on the amount of trading in cotton under or with respect to contracts of sale for future delivery on or subject to the rules of any cotton-futures exchange shall be fixed by the commission with respect to any one person trading either directly or indirectly for his own account at a total of not more than 100,000 bales for delivery in any one delivery month with respect to all exchanges and at a total of not more than 600,000 bales for delivery in any 12 consecutive months with respect to all exchanges (said bales being of the approximate weight of 500 pounds each). Such trading limits shall apply to all types of futures-trading transactions, including bona-fide hedging transactions, and shall also apply to both 'market position' and 'market interest' as herein defined. For the purpose of this section, the term 'market position' means a contract of purchase or sale made on any cotton-futures exchange which has not been fulfilled or completed either by actual delivery of cotton or by an offsetting contract of sale or purchase on the same exchange prior to the time specified for delivery; and the term 'market interest' means any outstanding contractual obligation relating to cotton, which is or may be affected in any manner by the advance or decline in the price on any exchange of cotton futures for delivery in some specified month, and such 'market interest' shall be deemed to be held in the month so specified. In computing any such market position or market interest there shall be included therein any market position on or any market interest held with respect to any and all foreign exchanges.

"(c) All trading in cotton futures on any exchange shall cease as to each delivery month on a day not later than the last business day of the preceding month, after which the seller shall have 10 business days within which to give to the buyer written notice of the date and place of delivery, and the buyer shall have 5 business days after receipts of such notice in which to take delivery and make payment. The Secretary of Agriculture, in his discretion, may extend the time to the seller for giving notice of delivery and to the buyer for taking delivery and making payment whenever in his opinion such action is warranted. In making payment in settlement of any contract of sale for the future delivery of cotton in any delivery month the actual commercial differences above or below the contract price which the receiver shall pay for cotton or grades above or below the basis grade shall be determined as of the day on which trading ceased with respect to such delivery month and in accordance with the provisions of section 6 of the United States Cotton Futures Act, as amended.

"(d) All charges and expenses incident to any delivery of cotton in fulfillment of any contract of sale made at, in, or on any exchange shall be borne by the seller.

"(e) Any person who shall purchase, sell, or carry any cotton futures for any other person on any exchange or pursuant to any contract made at, on, or in such exchange for the account of such other person, shall demand and receive from such other person as a minimum margin an amount equal to at least 10 percent of the current market price of such cotton, but in no case less than \$5 per bale, which minimum margin shall be maintained at all times with such reasonable allowance for price fluctuation as may be prescribed by the commission. In computing such minimum marginal requirements, all fractions of a dollar shall be brought to the nearest full dollar.

"(f) Each cotton-futures exchange shall make available to the public each day the volume of trading in cotton futures for each delivery month and the total volume of trading in cotton futures for all delivery months, and shall also make available to the public at least once each month the total of all open and outstanding contracts of sale of cotton for future delivery in each delivery month, made at, on, or in such exchange.

"(g) All cotton which shall have been inspected, graded, classed, and certificated as tenderable under the provisions of the United States Cotton Futures Act, as amended, shall be deliverable, on any contract of sale made at, on, or in any cotton-futures exchange, at and for the grade and staple thus certificated: *Provided*, That when such cotton is removed from certificate the final receiver thereof on a contract made at, on, or in a cotton-futures exchange may, if he so desires, call for a review by the United States Department of Agriculture, and in the event such cotton shall be found to be of a lesser grade or staple and of a lesser money value than the certified grade and staple, such final receiver on contract may make claim for any monetary loss so found, and all such claims shall be made on and against a guaranty fund which shall be established and maintained by each exchange by adding to the original inspection fees such amount per bale

as in the opinion of the Secretary of Agriculture may be necessary for the purpose of such fund, such additional amount to be held and retained by the exchange on which the original inspection is applied for, and to be paid out only on claims passed on and approved by the United States Department of Agriculture or its duly authorized representative."

WORKS PROGRESS ADMINISTRATION IN WEST VIRGINIA

Mr. HOLT. Mr. President, I have spoken a number of times on the floor of the United States Senate about the political set-up of the Works Progress Administration. I have shown the different parts of the set-up and how it was to operate. Today I hope to show those present how it actually did operate in the State of West Virginia.

First, let me go back to the original letter which I read some time ago about the W. P. A., in which it was said:

The time to correct mistakes is before they are made, if possible; consequently we don't want anyone on these jobs who is not right. These hundreds of applications going in should be taken around to the "designated" leaders in each county and sorted; then the local leaders can't blame the personnel office if the right boys are not on. This to my mind is paramount if this organization is to accomplish what it has to do in the next year.

They wanted the "right boys", and the "designated leaders" were to determine whether the proper set-up was made.

I showed on a previous occasion who actually appointed the W. P. A. officials in the State of West Virginia. I showed who they were and how they got their jobs. This afternoon I wish to show whether they delivered the goods after they did get their jobs, and I wish to produce a number of letters and affidavits to prove it.

In the first place, I desire to read part of an affidavit from a man in Huntington. In his affidavit he says:

I myself was compelled to deliver a certificate for the registration books certifying that I was registered as a Democrat and was required to state under oath that I would vote and work for the election of Senator NEELY in the 1936 campaign.

Let me go a little bit farther and tell you that in the State of West Virginia we have a public registration system. Anyone may check the registration books to find out the party affiliations of any voter. So if a person did not register as a Democrat, and was a W. P. A. worker, he may be in danger of losing his job, and not only losing his job but at a later time being punished by those in control. Not only were the W. P. A. workers told that, but the foremen and bosses went around to the different ones and said, "You know, the registration is being taken now, and we are checking up on the registration to determine the party affiliations of the different ones"; and, of course, a good many whose jobs were between them and hunger, whose job made the difference between starvation and livelihood, changed their registration from one party to another.

I should like to see more Democrats, but I want Democrats by conversion and not Democrats by coercion. There is a difference. I want Democrats who believe in the principles of Democracy, and are willing to go at their own wish and change the registration, rather than changing it for fear of losing their jobs or being punished.

Now let me read another affidavit from the city of Huntington. This Mr. Blank upon his oath deposes and says that as he was leaving the office of the W. P. A., where he was employed, about 5 o'clock on May 8, 1936, Mr. Blank, office manager of the said office, standing in the hall of the building where said office was located, stopped this affiant and asked this affiant to wait a few minutes, as someone in his office wanted to see this affiant, which he did. A few minutes later he called affiant in his office, where affiant met Mr. Blank, former office manager of the W. P. A., and said Blank asked affiant how much he wanted to be put down for; and affiant replied, "Put down for what?" Blank replied, "Put down for contribution to campaign fund"; and this man said he had to see 65 more men to determine how much was to be contributed to the campaign fund.

Here is another signed statement that I should like to read:

On Saturday, April 9, 1936, there was a man on the Sixth Street and Third Avenue project by the name of Blank—

I shall not say who he is, because if I should say, he would immediately lose his job—

who got some blank notes from the Twentieth Street Bank and was going around to all the men on this project and asked for money to buy gasoline to haul voters to the polls on election day. There is a rumor going around that if you did not give anything you would be so messed up—

I am quoting the exact language of this man—
you would wish you had gave.

The man said "had gave" instead of "had given", but, nevertheless, he worked for a living.

Let me go ahead a little bit further:

The man had blank notes, and said when a man would give anything, he would give out the note and make the men sign it.

Of course, there was not any politics at all to that; and day after day, and day after day, the foremen and timekeepers would go around to the workers and say, "Well, you know, we don't actually tell you who to vote for, but nevertheless it is advisable to contact and see that the right men are put into office. Of course, you would not lose your job if you should not vote for our men because of politics, but because there are so many other things that you can lose your job for, we do not have to say that you are losing it for politics; we can state that you did not do your work right"; and, of course, the men were very fearful that that would be the case.

Let me read what a woman down at Charleston said in a statement to me. Of course, Harry Hopkins says there is not any politics in the W. P. A.—none at all—and not only that but there seems to be no investigation of the W. P. A.; but let me read the letter from this lady, in which she says:

I am employed on the W. P. A. in the sewing room of ——. They say there is no politics in the W. P. A. Then why did Mrs. —, on May 4, dismiss four Republican women from the room and give us this sample ballot marked up, who we must vote for, to take it home and see that we did, under the threat of losing our jobs * * * and that was all between us and our God.

I show the Senate the actual ballot which was marked by the W. P. A. officials, so that anyone can see the W. P. A. slate in West Virginia. The letter proceeds:

Mrs. — searched everybody's machine drawers and pocket-books to see if she had any Republican cards. The next day, four women had their work cards taken from them. * * * What I have wrote you, I can raise my hand to my God above, to be the truth.

O Mr. President, there is no politics at all in the W. P. A. I should like to show the Senate two more marked ballots, from other parts of the State of West Virginia, and I have many more where they are marked for certain people in the W. P. A.

When I said the W. P. A. was a political machine, I did not know it was going to function as smoothly as it did. It certainly delivered in the State of West Virginia.

After they had set up all this political background, on the day of election, the State administrator issued a statement: "Vote as you please." But he issued that only on Tuesday morning, the day of the election, after many of the employees had voted, and after many of them had decided that they were going to vote as they deemed advisable.

Let me read now from a Democratic paper, the Parkersburg Sentinel, in which it is stated:

W. P. A. MONEY IS PAID TO VOTERS—W. P. A. LABORERS INSTRUCTED TO VOTE FOR NEELY AND VIA OR LOSE THEIR JOBS

Persons working about the polls in Parkersburg today declare that W. P. A. officeholders are openly violating the spirit of the law in the interests of the candidacies of Neely and Via. They say that W. P. A. officials send word to W. P. A. workers to come to the polling places to get their pay checks, and when the workers get there they are instructed to vote for Neely and Via or else they will lose their jobs. All W. P. A. offices were closed today and all W. P. A. employees were given a holiday in order that they could get out and work for the nomination of Neely and Via.

They had to go to the place where they would vote before they were to be paid for the work they had done. Then they say there is no politics in it!

I should like to have the expense accounts of these W. P. A. officials in the various districts checked. They became very

much interested about projects in the few days before election. They went into the counties and inspected projects, or at least they said they inspected projects. It was strange that they did it on Friday, Saturday, Sunday, and Monday before election, and it is strange that they called upon the various foremen and the various political leaders in inspecting those projects. Of course, we are told again that there is no politics at all in that.

Harry Hopkins ought to be able to find out about it, because he has 118 people to look into it for him. I quote from the Baltimore Sun, which is a Democratic paper, an editorial:

DETECTIVES ON RELIEF

Until last week Harry Hopkins, the Works Progress Administrator, had 98 investigators on his pay roll. Now he has 20 more. It is explained that these investigators are now devoting themselves chiefly to the investigation of charges that the W. P. A. is in many States being used mainly for political purposes. It is further explained that the reinforcements were needed because an election is drawing near and the number of such charges is increasing.

So now Mr. Hopkins has 118 detectives with which to ferret out the political scandals in the W. P. A. But are these sleuths finding any such scandals? That is rather hard to say, though it seems that they are having the devil's own time detecting evidence of political manipulation. To date, according to Roger Bound, the chief sleuth, "we have uncovered only two or three widespread cases of political solicitation and activity and a scattering number of cases involving minor officials." In the remaining cases the charges somehow always turn out to be "unsubstantiated."

This is all very strange, for there are plenty of people, without detective training of any kind, who have been able in recent weeks to turn up quite a bit of evidence pointing to the existence of more than two or three cases of widespread political scandals in the W. P. A. They have found such evidence in New York, Pennsylvania, West Virginia, North Carolina, Indiana, Illinois, Missouri, and several other States. More than that, they have not stood upon mere hearsay but have supplied names and places and dates and have offered documentary material in support of their charges. Yet the evidence they have assembled appears not to be substantial enough for the hard-working detectives the W. P. A. has hired to investigate the W. P. A.

Arthur M. Curtis, Republican national committeeman from Missouri, has come forward with new evidence to show how the Pendergast machine in Missouri has taken "complete control of the W. P. A. organization in that State." He also gives names and places and dates, while he describes in detail the several methods used by the Pendergast machine in coercing W. P. A. workers into supporting the Democratic Party. To be sure, Mr. Curtis is a Republican, and so is not wholly without self-interest in the matter. Yet it can hardly be argued that the facts he has to present miraculously become something other than facts because they have been brought to light by one who is not a member of the Democratic Party. Certainly Mr. Hopkins, that earnest seeker after truth, will not contend that he and his political associates have a monopoly on truth.

It is curious, to say the least, that in the face of this great and growing accumulation of evidence the W. P. A. detectives should have such difficulty finding proof of the manner in which the politicians are using the W. P. A. for their own ends. There is a saying that "none are so blind as those who will not see." But one hesitates even to imply that Mr. Hopkins is using his investigators to cover up the political scandals instead of to uncover them. It is possible that the fault lies with the detectives themselves. Perhaps Mr. Hopkins had better hire, not more detectives, but a whole new set of sleuths.

I wish to read excerpts from a number of letters to show how the political set-up of the W. P. A. in West Virginia works. These are actual statements from W. P. A. workers in the State of West Virginia. Listen to this:

We were told that they were going to lay off a number of men and that if they did not come across at the primary election, that it would be easy to designate those men to go.

As the Members of the Senate know, they were cutting down the forces of the W. P. A. Of course, under the guise of economy they could cut the men off.

We were informed that it would be easy to find some other excuse than politics to dismiss a worker.

Here is another letter which I should like to have go in the RECORD:

We were told who was friendly to the W. P. A. and that it would be advisable to vote that way.

Here is another letter:

I was told that I should be busy Tuesday morning as soon as the polls opened, and if I was not there working for the W. P. A. slate of candidates, I need not report for duty Wednesday morning, and not try to fool them, because they would know who was for them and who was against them. They said that the election clerks were with them.

In other words, if a W. P. A. worker went there and tried to vote the way he desired, they told him that the election clerks on the inside were watching how he voted and would nod to the man on the outside; and if he did not vote the way the W. P. A. crowd wanted him to vote, immediately he might lose his job.

Here is another letter:

They said that they could check every way to see how many votes were cast in any precinct, and, if the result is not there, no excuses would be taken.

Here is another letter. Let me read what a writer at Wheeling said:

They said, "You ought to realize what happened to RUSH HOLT's friends, and, if you do not think more of your jobs than that, anything may happen."

In other words, if a person professed any friendship, they would show what happened to men who had been friendly to me. Of course, they have practically eliminated all those.

I am glad to say that I have nothing to do with the W. P. A. patronage in West Virginia, and that if anyone does not get a job I am not responsible. Before very long, when I go back to West Virginia after the session of Congress adjourns, I intend to let the people know who have gotten the jobs and why they got them.

Here is another letter I should like to read into the RECORD:

Another man wrote me and said that he was called in after the election, and his salary was cut approximately \$40 per month, and they told him, "Well, you are still a pal of RUSH HOLT, are you?"

In other words, his family would suffer, his wife and children would suffer, because that man professed friendship toward me at election time.

Harry Hopkins says these charges of politics are not true. Yet there seems to be no investigation. No doubt we are spending between a third of a million and a half million dollars a year to pay the salaries and expenses of these 118 Secret Service men Hopkins has employed, and they cannot find anything wrong with the W. P. A. political machine, though everyone else can. I think they either ought to get a new bunch of detectives, or prod the detectives they have to a little actual determination to find out the facts.

Another man writes me this letter:

I have a marked ballot in my possession which one of the W. P. A. boys gave me and can get an affidavit to the effect that he was told to vote accordingly or not report for work Wednesday morning. I talked to dozens of them and in 90 percent of the cases they were eager to vote for Mr. Hiner but had been told that if they voted different from the marked ballot that the clerks would notify their superiors and their vote would not only be void but they would be fired.

If that fellow had exercised his great constitutional right, the right to vote, and had voted the way he desired to vote, against the people who are in control of the W. P. A., which was keeping him and his family from starvation, that man would go hungry, and would have to find some other employment.

These people realize that in the State of West Virginia 38,000 persons have asked for and been denied work in the W. P. A., and have been told there is no work for them, and many of them have seen this person and that person who has tried to challenge the authority of the W. P. A. lose his job.

Another man writes:

I have a marked ballot in my possession which one of the W. P. A. boys gave me and can get an affidavit to the effect that he was told to vote accordingly or not report for work Wednesday morning. I talked to dozens of them and in 90 percent of the cases they were eager to vote for Mr. Hiner but had been told that if they voted different from the marked ballots that the clerks would notify their superiors and their vote would not only be void but they would be fired.

Mr. President, this is what happened in the election in the State of West Virginia. When I said they set up the W. P. A. for politics, I did not know how well they could set it up. I did not know how perfect they were in setting it up. They not only did this in the district offices but later

they went out into the county offices and then the precinct organizations. Then they gave them all the information possible, so that they could work for the proper people on election day.

They say, "Don't say anything about it. This is election year, and nothing ought to be said." I believe it is our duty, as I said before, to clean up those things. I think it is a disgrace that a person cannot vote as he deems advisable without fear of losing his job, under the control of some ward heeler. I think it is a shame that some ward heeler can come in and threaten a woman who is working to save her children from starvation, and tell her that if she does not vote a certain way she will lose her job.

I condemn that sort of practice. I want to tell the Senators that if they do not think the W. P. A. is a political machine, let them just wait until election time comes around. It is the greatest, best oiled political machine this country has ever seen. That is why those in authority do not want the P. W. A. instead of the W. P. A. The P. W. A. is different. They do not get their checks direct from the Government, even though they may be employed. That is why they are fighting anything that would touch the original plan. They can say, "Boys, we are giving you the jobs. Mr. So-and-So in the county recommended you, and therefore you should follow our dictates." Their slogan is "Vote or starve", and that slogan was used in the primary election in the State of West Virginia.

REGULATION OF COMMODITY EXCHANGES

The Senate resumed the consideration of the bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes.

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). The question is on agreeing to the amendment of the Senator from South Carolina [Mr. SMITH].

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Radeliffe
Ashurst	Connally	La Follette	Reynolds
Austin	Coolidge	Lewis	Robinson
Bachman	Copeland	Loneragan	Russell
Bailey	Couzens	Long	Schwellenbach
Barkley	Davis	McAdoo	Sheppard
Benson	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Smith
Black	Fletcher	McNary	Steiwer
Bone	Frazier	Maloney	Thomas, Okla.
Borah	George	Metcalf	Thomas, Utah
Brown	Gerry	Minton	Townsend
Bulkley	Gibson	Murphy	Truman
Bulow	Glass	Murray	Tydings
Burke	Guffey	Neely	Vandenberg
Byrd	Hale	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Overton	Wheeler
Chavez	Johnson	Pittman	White
	Keyes	Pope	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from South Carolina [Mr. SMITH].

Mr. SMITH. Mr. President, I think it is necessary for me to make an explanation of the amendment. It is not at all out of harmony with the purpose and intent of the bill.

After long experience, those of us who have studied the question closely have been led to a belief in the necessity for limiting the quantity of cotton that any one firm, corporation, or individual may deal in on the exchange within a month, and the aggregate open position, as it is called, for the 6 active months of the year. There are but 6 active months in cotton trading.

It was testified before the Committee on Agriculture and Forestry that one firm at one time held 2,500,000 bales of actual spot cotton, and had hedged both at home and abroad

to that amount, which gave that firm alone a practical monopoly of futures and spot trading. The amendment is proposed in order to check, curtail, and regulate such excesses, which have all the elements of monopoly and the effect thereof, to the point where those who are qualified may stand a chance of having an opportunity to engage in legitimate trading.

The only difference between the amendment and the terms of the bill is that in the amendment we have specified the quantity which may be handled by any one firm for a month or for a year. That means that at no time may what are called open positions be taken, actually to hedge and control more than 100,000 bales. What does that mean in money? It means \$6,000,000 of trading in a month and \$36,000,000 in the 6 months of active trading. If that is not enough for one individual, what in the name of reason would be? There is not a mill in the country, there is not a single manufacturing establishment, which handles 100,000 bales of cotton a month.

Objection has been made to the amendment on the ground that it may result in limiting the amount a mill may have. What mill is there which spins 600,000 bales of cotton a year? Yet under the terms of the bill a mill would be allowed to hedge in the 6-month period to that total amount. If in any one month in which the 100,000 bales were hedged the 100,000 bales were liquidated, the one engaged in the operation might buy another 100,000 bales in that time. It means that at any one time he might hedge 100,000 bales.

It is said that there has been a great deal of opposition to the amendment. Yes, Mr. President, the opposition has come from those who desire to and who do dominate our cotton market to the point where the small men are actually afraid to send in protests. I have before me not all the telegrams and letters I have received, but typical telegrams and letters from those who have dared to face this great octopus.

As I said, the amendment alone does not interfere with so-called call cotton. If a broker or a mill should decide to deal in call cotton, nothing in the amendment would prohibit such dealing to the extent of the limit of 100,000 bales. There is nothing in the amendment that would limit anyone up to that amount.

The remainder of the amendment—it seems to be somewhat lengthy—simply changes the basis of the present law in reference to the cotton exchange from the tax provision to the interstate-commerce clause of the Constitution. In a decision of the Supreme Court, in the case of *Secretary of Agriculture against Olsen*, the legality of the constitutionality of regulation of the exchanges was established upon the basis of the commerce clause, and so the remainder of the amendment is to accommodate its provisions to the spirit of the prior act. That is all.

Every Senator who is acquainted with the cotton business knows that the amount specified in my amendment is sufficient, in all conscience, for anyone to deal in any one month. We are trying to curb monopoly and to restrict the domination of our markets. It is proposed to do it through this bill, but on account of the difference in character between cotton and wheat the limitation on wheat is placed in the discretion of the Secretary of Agriculture. Those of us who have the direct proof of the monopolistic condition under which the market is today operating have placed the limit at a point which practically 90 percent of trade thought was sufficient. Of course, the proposal is being fought by those who testified before the committee that they made \$13,000,000 in 6 years through their monopolistic power.

All I am asking of the Senate is to adopt this one restriction in order that a definite limit may be established and that others may have an opportunity to enter the market and not be crowded out, domineered, and controlled by at most three firms.

I have gone along with the committee. I have asked Senators to study this amendment. It was the result of 90 days' investigation; and every legitimate trader in the market is in favor of it. I will guarantee that the telegrams and propaganda that have come here can, to the extent of 90 percent, be traced to one source.

Mr. President, as I have said, the remainder of the amendment proposes to do nothing but change the basis of the law from the tax provision to the interstate-commerce clause of the Constitution. It does not propose to change anything else, but simply accommodates the language to the interstate-commerce clause rather than to the taxing provisions.

Mr. NYE. Mr. President, will the Senator yield?

Mr. SMITH. Yes; I yield.

Mr. NYE. Referring again to the restriction of holdings by an individual, let me inquire if those restrictions would be equally binding upon a cooperative? They would be, would they not?

Mr. SMITH. They would be under the text of the proposal.

Mr. NYE. Does the Senator feel that there is any occasion for an exemption so far as cooperatives are concerned?

Mr. SMITH. I do not believe the cooperatives would ever handle in any one month over 100,000 bales of cotton. I have worked and fought for the cooperatives, as the Senator knows, ever since I have been a Member of the Senate, and I do not want to do anything that would limit their operations, and yet, in exempting them, I do not want to open the door for other abuses.

Mr. NYE. I am wholly unprepared to state what the holdings of cooperatives for any single month may be, but I have been advised that their total holdings have been at times in the neighborhood of or beyond 600,000 bales.

Mr. SMITH. That may be true, and, without too great danger, an amendment might be added to this provision to the effect that it shall not apply to bona-fide cooperatives, as was done just a while ago in a provision affecting cooperative organizations where the words "in good faith" were inserted.

Mr. NYE. I suggest to the Senator that he do that. I think the precaution would be worth while.

Mr. SMITH. So far as I am concerned, I would have no objection to that at all; but I want it understood that they will have to be bona-fide cooperatives, as the Senator from Tennessee [Mr. McKellar], I believe, provided in an amendment offered by him a while ago to another provision. I wish to say, however, that somehow or other I cannot exactly understand why the cooperatives should use the future market. But I will not question that. If they will help the farmer and the producer to get control of the market to the extent that they can share in the wealth they produce, I will gladly accept an amendment of that kind.

Mr. McKellar. Mr. President, the Senator may accept it, but I wish to say to him that it is going to be fought as vigorously as I know how to fight such an amendment.

Mr. SMITH. I predicated my acceptance upon an amendment offered by the Senator from Tennessee under which cooperative associations of producers must have 75 percent of their membership "bona fide" producers.

Mr. McKellar. That was offered and adopted, but I do not think that covers this case. In my judgment, the so-called cooperative, the A. C. C. A., as it is called, is nothing in the world but another cotton merchant; it has not the slightest semblance of cooperation; and I intend, before this bill shall be passed, if any such amendment as that is insisted upon, to give the facts as they have been developed after a hearing which I held in Memphis last year. I intend to let the Senate know what it will be doing if it shall vote a special privilege to this monster cotton-cooperative association which does nothing else in the world but, with the help of the Government, to merchandise cotton against other cotton merchants. I wish to explain to the Senate what the actual facts show, and if the Senator from South Carolina will excuse me, I will give an illustration right here and now.

Mr. SMITH. Let me make a statement first. The Senator need not take his seat, because I will yield to him in a moment.

Mr. President, I am afraid there is a misapprehension that the limit of 100,000 for 1 month means for the year. If I had a hundred thousand bales open in May or March

or October and I liquidated them before that fiscal year was out, I could put another hundred thousand bales in, but I could not have at any one time in any one month exceeding 100,000 bales.

To illustrate, suppose any Member of the Senate were on the market and had a hundred thousand bales each of May, March, July, and October. That would be 400,000 bales. Suppose he were to liquidate three of those months; he could then have another hundred thousand bales in 1 month; so that if he should liquidate his position, that is, sell or buy—and if he were short he would sell—1 month and have no accumulation in any other month, then he could either buy or sell to the amount of a hundred thousand bales, but at no time could he have an outstanding open position of more than 600,000 bales or 100,000 bales in any one month. In the name of reason and conscience that would be enough. Does the Senator understand that?

Mr. NYE. Yes.

Mr. SMITH. Very well. I cannot understand how the cooperatives could ever handle more than 600,000 bales at any one particular time. The minute they liquidate a given month, they could put another hundred thousand in; but it is notorious that some months one firm may buy 500,000 bales and in another month sell 400,000 or 500,000 bales. They buy one month until they put up the price to their advantage, and then sell another month in order to take advantage there. It is known as a "straddle." Not only is that true of the month, but it is true of this market and of any market.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Oklahoma?

Mr. SMITH. I yield.

Mr. THOMAS of Oklahoma. I desire to invite the attention of the chairman of the committee to page 31, line 24, being part of section 13. The section now before the Senate refers to "any one person"; in other words, a limitation is placed upon "any one person either directly or indirectly trading." As I read the language, this limits and applies to the individual trading on the exchange, but in no sense applies to a firm, or an association, or a corporation. I desire to submit an amendment, adding the following words at the end of the section:

Provided, That the term "person" as used in this subdivision shall be construed to mean person, firm, association, or corporation.

Otherwise the section, as I understand it, is meaningless. It limits persons trading to 100,000 bales during the month and to 600,000 bales during the year, but in no sense would it place any limit upon a firm, an association, or a corporation trading, either monthly or yearly.

I ask the chairman of the committee if he will be willing to agree to my interpretation and accept the amendment in the form of a proviso.

Mr. SMITH. Mr. President, I think the Senator's suggestion ought to be incorporated in the bill. The ordinary definition of what constitutes a person is not in the bill. I think it was the intention of all who had to do with the bill that the word "person" should be defined in the way the Senator from Oklahoma has suggested, which is the definition that generally accompanies provisos of this sort.

Mr. THOMAS of Oklahoma. In order to make it definite and certain I submit the amendment and ask consideration for it at this time.

The PRESIDING OFFICER. The Senator from Oklahoma offers an amendment to the amendment of the Senator from South Carolina which will be stated.

The LEGISLATIVE CLERK. In the new print of the bill, in the amendment of the Senator from South Carolina, on page 32, line 24, it is proposed to insert at the end of the line the following proviso:

Provided, That the term "person" as used in this subdivision shall be construed to mean person, firm, association, or corporation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma to the amendment of the Senator from South Carolina.

The amendment to the amendment was agreed to.

Mr. THOMAS of Oklahoma subsequently said: Mr. President, earlier this afternoon I offered a suggestion in the form of an amendment to be added at the end of the paragraph at the bottom of page 9 of the new print of the bill. Since offering that amendment and since it was adopted by the Senate I have made further investigation. I find that this section is an amendment to the Grain Futures Act. By checking with the Grain Futures Act I find in section 2 the term "person" is defined, and is defined in the original act in a broader way than I defined it in my amendment. I desire to read paragraph (a) of section 2 of the original law:

The word "person" shall be construed to cover the plural or singular, and shall include individuals, associations, partnerships, corporations, and trusts.

Mr. President, the definition in the original act is broader than in the amendment suggested by myself. In order that the broader definition may prevail and that there may be no misunderstanding, I ask unanimous consent that the vote by which my amendment to the amendment on page 9 of the new print of the bill may be reconsidered.

The PRESIDING OFFICER. Is there objection to the reconsideration of the vote by which the amendment of the Senator from Oklahoma to the committee amendment on page 9 was agreed to? The Chair hears none, and the vote is reconsidered.

Mr. THOMAS of Oklahoma. I now withdraw the amendment to which reference has just been made.

The PRESIDING OFFICER. The amendment of the Senator from Oklahoma is withdrawn. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. WHITE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Maine?

Mr. SMITH. I yield.

Mr. WHITE. I have just received a telegram which states that almost in the first line there are three new amendments to the cotton-exchange features of the bill now before the Senate. Are there three amendments other than the amendments which appear in the print of the bill?

Mr. SMITH. They have all been acted upon. They were minor, because they did not affect the bill very materially. One of them was a question of terminology as to cross sales in the interest of the brokers on the exchange. I think that is about the only one that really affected the market. There was another providing that the exchanges should have the right to expel a member under the new set-up of the Grain Exchange Act. I withdrew that because of the fact that it might have given them an arbitrary power after the Secretary had given them a license to trade.

Mr. WHITE. What was the third amendment?

Mr. SMITH. The Senator has the third amendment in his hand now.

Mr. WHITE. That is the amendment which appears in the bill?

Mr. SMITH. Yes, in the last part of the bill.

Mr. ROBINSON. Mr. President, recently, but not since the bill was brought forward for consideration, there was discussion of an amendment which was said to have the effect of abolishing what is known as southern delivery. Has that amendment been abandoned?

Mr. SMITH. It has been abandoned. It is not in the bill, nor is there any reference to what is known as call cotton. We contented ourselves with the idea that this monopolistic thing was enough and that if we could get that taken care of we would take our chances with the balance of it.

Mr. ROBINSON. With respect to the amendment now under consideration, the one imposing a limitation of 100,000 bales per month or 600,000 bales per year on both speculative and hedging transactions, under the Grain Futures Act there is no limitation on hedging at all, I understand.

Mr. SMITH. No; that was to take care of the cooperatives directly. May I explain to the Senator from Arkansas that if that provision should remain in the pending bill, then all of our efforts to curb the enormous amount of actual cotton and hedges that any one firm could have would be abortive.

Mr. ROBINSON. What is the object of imposing a limitation on hedging transactions?

Mr. SMITH. Enough wheat was actually bought and enough contracts sold against it to demoralize and destroy the market. It is a notorious fact that two concerns in the cotton trade had enough spot and enough hedges to take up nearly 40 percent of the entire cotton crop. The consequence was that nobody else need apply. They were dominating the market, just like the steel people had all the steel and the oil people had all the oil. The consequence was that they dictated the terms of the market to everyone. This is an effort to curb the monopoly of the cotton market through the purchase of the actual cotton and through the hedging consequently.

Mr. ROBINSON. If there were no cotton that could be bought or sold outside of the cotton that is bought and sold by the large dealers to whom the Senator has referred, I would understand that statement. But I do not see that anyone should be prevented from buying cotton and hedging the transaction. I do not see—at least, it has not been made clear to me—why the buying or the hedging should be restricted.

Mr. SMITH. We have already adopted the limitation which shall be imposed by the Secretary of Agriculture, not only by the month but by the day. We have provided that at his discretion he shall limit the amount that any one individual or corporation or concern may have. We have made this liberal for the reason that we thought perhaps it would be almost unlimited in a way if they should liquidate their positions; that is, really buy and sell, but not monopolize the market.

Mr. COPELAND. Mr. President, if the Senator will yield, what effect will this amendment have upon the exchanges? I have in my hand a telegram from a member of the New York Cotton Exchange protesting against this amendment, which limits legitimate hedging.

Mr. SMITH. Yes, sir; that is, so-called legitimate hedging; and the whole bill limits it. If this provision is left in the bill and the bill passes, the Secretary may bring down the amount to 50,000 bales, if he sees fit.

Mr. COPELAND. I ask unanimous consent to have printed in the RECORD two or three of these telegrams.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegrams are as follows:

NEW YORK, N. Y., May 25, 1936.

United States Senator ROYAL S. COPELAND:

My firm, Dyer, Hudson & Co., are members of New York Cotton Exchange. We earnestly ask that you vote against Senator SMITH's amendment to commodity exchange control bill, which limits legitimate hedging.

R. V. WHITE.

NEW YORK, N. Y., May 25, 1936.

Senator ROYAL S. COPELAND:

Earnestly urge you support Smith cotton amendments to commodity exchange bill. It means a broader market for the farmer.

J. L. JULIAN.

NEW YORK, N. Y., May 25, 1936.

Senator ROYAL S. COPELAND:

Will greatly appreciate your support of Senator SMITH's cotton amendments to commodity bill, as believe they are constructive. Will greatly benefit the cotton exchange, the cotton and textile trade, and the producer.

W. S. R. BEANE.

NEW YORK, N. Y., May 25, 1936.

Senator ROYAL S. COPELAND,

United States Senate:

Suggest you support the Smith amendments to the commodity bill, as result will broaden the cotton market and bring about higher prices for the farmer.

W. N. SCHILL.

POUGHKEEPSIE, N. Y., May 11, 1936.

Senator ROYAL S. COPELAND:

Speaking for 1,000 farmer members of the Mid-Hudson Cooperative G. L. F. Egg Auction, we urgently request your support in the opposition of striking out eggs from the commodity exchanges bill.

MID-HUDSON COOPERATIVE G. L. F. EGG AUCTION,
H. W. BERMENDER.

BUFFALO, N. Y., May 13, 1936.

Senator ROYAL S. COPELAND,

Senate Office Building:

Several hundred poultry producers in western New York shipping eggs to their cooperative egg auction are of the opinion that eggs should be included in H. R. 6772. We sincerely hope that you may see your way clear to use your influence toward this end.

CHARLES H. WILLIAMS, Chairman.

NEW YORK, N. Y., May 18, 1936.

Senator ROYAL S. COPELAND,

Care United States Senate, Washington, D. C.:

I believe that the new amendments the commodities exchange control bill H. R. 6772 will restrict the free movement of our cotton crops and undoubtedly add to the cost of handling, and will therefore be detrimental to interests of both consumer and producer. I urge you to oppose these new Smith amendments and insist that cotton be reinserted as a commodity subject only to original resolution.

JOHN J. SAMPLE.

NEW YORK, N. Y., May 18, 1936.

Hon. ROYAL S. COPELAND:

In my opinion the new amendments proposed by Senator SMITH to H. R. 6772, the commodities exchange control bill, would restrict the free movement of the cotton crop, at times adding to the cost of handling, and is therefore detrimental to interests of both producer and consumer. I urge that you oppose the new Smith amendments and insist that cotton be reinserted as a commodity subject to the provisions of the original resolution.

WILLIAM C. POTTER.

HOBART, N. Y., May 11, 1936.

Senator ROYAL S. COPELAND,

Washington, D. C.:

On behalf of the organized poultrymen of New York State I am respectfully requesting that you use all possible influence to oppose the striking out of eggs from the commodity exchange bill now pending. This protection is needed, and your efforts will be appreciated by all members of our State-wide organization.

WALLACE H. RICH,

President, New York State Cooperative,
Official Poultry Breeders, Inc.

Mr. SMITH. Mr. President, I ask unanimous consent to have printed in the RECORD telegrams coming from the exchanges and from individuals.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegrams are as follows:

MEMPHIS, TENN., May 20, 1936.

Senator E. D. SMITH,

Chairman of the Senate Agricultural Committee,

Washington, D. C.:

We approve and highly recommend your amendments to the commodity exchange bill, and honestly believe it will do the greatest good for the greatest number.

Frierson & Co., Inc., Memphis, Tenn.; Horace B. White & Co., Memphis, Tenn.; Wm. Hulsey & Co., Memphis, Tenn.; M. E. Hill & Co., Memphis, Tenn.; Austin Bros., Memphis, Tenn.; C. E. Tucker & Co., Memphis, Tenn.; J. Dickens, Memphis, Tenn.; Alex. Bernstein, Memphis, Tenn.; Barnwell & Hays, Memphis, Tenn.; Lacy Bros., Memphis, Tenn.; Dalrymple Cotton Co., Memphis, Tenn.; C. M. Owen & Co., Little Rock, Ark.; S. R. Nichols, Desark, Ark.; Henry Walkins & Son, Hope, Ark.; J. E. Atkins, Fort Smith, Ark.; Lipscomb & Vaughan, Henning, Tenn.; Ashley Downing, Dyersburg, Tenn.; Rose-dale Cotton Co., Memphis, Tenn.

NORFOLK, VA., May 15, 1936.

Hon. ELLISON D. SMITH,

Chairman, Senate Agricultural Committee,

Senate Office Building, Washington, D. C.:

We, the undersigned, urgently request that the commodity exchange bill be amended with suitable, sane, and binding legislation for strict Government regulation of all cotton future exchanges. We not only urge this for the protection of ourselves as merchants but for the protection as well of the southern cotton grower to prevent any further exploitation and raids on the price of cotton by manipulations of the future markets which we consider has been proven beyond a shadow of doubt as a result of

recent investigation of cotton business by the Senate Agricultural Committee.

HUNTER A. HOGAN,
RALPH K. DAWSON.
T. RALPH JONES.

DALLAS, TEX., May 17, 1936.

Hon. ELLISON D. SMITH,
United States Senate, Washington, D. C.:

As the owner and operator of several Texas cotton farms, I wish to express to you my hearty appreciation and endorsement of your amendments to the commodity exchange bill now before Congress. I am today wiring the President, Secretary Wallace, and both Texas Senators to this effect.

Best regards,

EUGENE BRAGG SMITH.

DALLAS, TEX., May 20, 1936.

Senator ELLISON D. SMITH,
Senate Office Building, Washington, D. C.:

Greatly in favor your amendments to the commodity exchange bill, as we think this only salvation to producers and small cotton buyers; also should restore confidence in cotton market.

L. T. Robertson, W. H. Hammond, A. C. Musgrove, W. R. Rutland, A. C. Russell, Harry P. Savage, Lee Skaggs, J. C. Spittlehouse, Harold Cole, L. C. Davis.

GREENWOOD, MISS., May 20, 1936.

Senator ELLISON D. SMITH,
United States Senate Office Building:

We emphatically endorse your cotton amendments to the commodity exchange bill as the only cure and salvation for the smaller buyer and merchant who are faced continuously with harrasing by several larger firms.

GREGORY CUMMINGS COTTON CO.

OKLAHOMA CITY, OKLA., May 21, 1936.

The Honorable Senator ELLISON D. SMITH,
Washington, D. C.:

We, the undersigned, favor your amendments to the commodity exchange bill.

Guthrie Cotton Oil Co., of Guthrie, Okla.; Anadarko Cotton Oil Co., of Anadarko, Okla.; Lyon Gin Co., of Geary, Okla.; A. G. Powers and Keith Miller and Bob Loveless and Porter Windaham and Gen Dumas and Quint Warren and Edward O'Brien and Harold Cook and Harold O'Brien, of Chickasha, Okla., and Oklahoma City.

The above ginning companies and handlers of cotton represent and handle about 50,000 bales cotton for many hundred farmer customers. Thanks.

HOBART, OKLA., May 21, 1936.

Hon. ELLISON D. SMITH,
United States Senate, Washington, D. C.:

Strongly favor Smith amendments to commodity exchange bill. Believe their enactment prove beneficial very large majority cotton trade.

W. E. LAMPKIN.

NEW YORK, N. Y., May 19, 1936.

Senator ELLISON D. SMITH,
Senate Agriculture Committee:

In all history there is no record of permanent settlement of a fundamental issue behind closed doors. Your amendments strictly enforced bespeak life, liberty, and pursuit of happiness for the entire South, as well as the cotton farmers. Nothing is ever settled until it is settled right.

WILLIAM LOWNDES WALTHOUR.

BRENNHAM, TEX., May 22, 1936.

Senator ELLISON D. SMITH,
Washington, D. C.:

We highly endorse your amendments to commodity exchange bill. Willie Henske, Kenney, Tex.; Carl E. Schaer, Sealy, Tex.; Joe Cherkas, Sealy, Tex.; J. Will Tate, Giddings, Tex.; W. H. Werchan, Gayhill, Tex.; Ed Schmidt, Brenham, Tex.; W. A. Weimann.

CORSICANA, TEX., May 21, 1936.

Senator ELLISON D. SMITH,
United States Senate:

We favor your amendments to commodity exchange bill as think will go a long ways in restoring confidence in cotton market. D. POINDEXTER. LOUIS SHWARTS.

DALLAS, TEX., May 16, 1936.

Senator ELLISON D. SMITH:

Your many friends here favor your amendments to commodity bill.

LEWIS P. GRINNAN.

SWEETWATER, TEX., May 24, 1936.

Senator ELLISON D. SMITH,
Washington, D. C.:

We favor strongly your amendment to commodity exchange bill, and hope that you can have the united support of all Senators in its passage.

Dr. JAMES T. MCKISSICK.

SAN ANTONIO, TEX., May 20, 1936.

Senator ELLISON D. SMITH:

I am heartily in favor of the passage of your bill, H. R. 6772, as no doubt this bill, after enactment, will aid greatly in the stabilization of farm products such as cotton and grain, because it will eliminate the rank manipulation that has been allowed to stifle all cotton and grain interests which has been carried on by one or two large concerns who have taken advantage in creating such tactics.

J. SELIGMANN.

SWEETWATER, TEX., May 24, 1936.

Senator ELLISON D. SMITH,
Washington, D. C.:

Your amendment to the commodity exchange bill finds very favorable comment, and all feel that its adoption will go far toward restoring confidence in the cotton market, and will allow the small operators a more even break with the larger interests. I feel that you should have the full support in your efforts at passage.

MILLARD L. COPE, Publisher.

TERRELL, TEX., May 21, 1936.

Hon. ELLISON D. SMITH:

Your amendments to commodity exchange bill is favored by big majority, and will restore confidence in cotton market.

W. P. ALLEN.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:
Heartily in favor of your amendments to commodity exchange bill.

W. C. PAYNE.

SWEETWATER, TEX., May 24, 1936.

Senator ELLISON D. SMITH,
Washington, D. C.:

Farmers and merchants of this area are in full support of your amendments to the commodity exchange bill.

W. B. JOHNSON.

SWEETWATER, TEX., May 24, 1936.

Senator ELLISON D. SMITH,
Washington, D. C.:

We feel that your amendments to the commodity exchange bill will be the salvation of the small merchant and should have the support of all who have a vote in its passage.

S. LELAND GLASS.

TERRELL, TEX., May 21, 1936.

Hon. ELLISON D. SMITH:

Your many friends this section favor your amendments to commodity exchange bill.

W. H. MURPHY.

TERRELL, TEX., May 21, 1936.

Hon. ELLISON D. SMITH:

Much interest is being taken in your amendments to commodity exchange bill, and all that I have talked with are very much in favor of them.

B. T. PULLEN.

TERRELL, TEX., May 21, 1936.

Hon. ELLISON D. SMITH:

Majority this territory are very much in favor of your amendments to commodity exchange bill.

BEN SHELTON.

TERRELL, TEX., May 21, 1936.

Hon. ELLISON D. SMITH:

Sentiment here in favor of your amendments to commodity exchange bill.

W. B. NICHOLSON.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

Very much in favor your amendments to commodity exchange bill.

H. D. SARTIN.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

Am very much in favor your amendments commodity exchange bill.

THOS. KENNEDY.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

Everyone seems favor your amendments to commodity exchange bill.

W. P. McCULLOUGH.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

All cotton buyers favor your amendments to commodity exchange bill.

McGEE LONG.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

I very much favor your amendments to commodity exchange bill.

M. SMITH.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

Your amendments commodity exchange bill meets approval small cotton men.

G. S. NELSON.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

Favor your amendments commodity exchange bill; will restore confidence in cotton market.

THE JOE TOM WOOD WAREHOUSE,
By JOE T. WOOD.

SULPHUR SPRINGS, TEX., May 21, 1936.

Senator ELLISON D. SMITH:

Favor your amendments commodity exchange bill; helps small cotton men.

MANN WOOD.

Mr. ROBINSON. Mr. President, I have a number of telegrams advocating the Smith amendments, and about an equal number, or more, opposing the Smith amendments. Nearly all the telegrams I have received are from persons whom I know, and it is amazing to take note how radically different are the viewpoints of the authors of these telegrams. One group insists that the adoption of the Smith amendments means the ruin of the cotton trade, and the other group insists that the adoption of the Smith amendments means the betterment of the cotton trade.

I do not know how it happens that there can be such marked diversity of opinion on a subject of this character. The viewpoints are so radically and notably different that it makes one wonder whether the opinions of the authors of the telegrams are to be relied on as helpful.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Massachusetts.

Mr. WALSH. Mr. President, I have had the same experience. I made an investigation, and I find that nearly all the telegrams I have received in opposition to the Smith amendments were instigated by a few dealers whom this bill is directed against, on the theory that they constitute a monopoly.

While the opposition to the amendments at first impressed me very much, I found upon analysis that it had been promoted by the few large brokers, who, at times, it is alleged, have controlled 35 or 40 percent of all the spot cotton and the cotton on the exchanges. I understand that there are about 3,000 other brokers who are in favor of the Smith amendments.

I will say to the Senator from Arkansas that I have found, from my own inquiries—and my position on the bill has changed upon investigation—that most of the telegrams in opposition to the amendments have been instigated by the groups whom the amendments seek to check from possible attempts to control the cotton market.

Mr. SMITH. I do think the Senator is correct, and I think if other Senators would use the same diligence they would find the same facts.

Mr. COPELAND. Mr. President—

Mr. WALSH. Permit me to say to the Senator from Arkansas, furthermore, that two of the proposals which the original senders of the telegrams opposed have been removed by the pending amendment; and there is now only one objection, the very one we are now discussing. When

some of these telegrams were sent they were protests against three proposed amendments; but we are now dealing with only one amendment that they are protesting against; all the other objectionable amendments having been rejected by the committee and not now before the Senate.

Mr. ROBINSON. Mr. President, in connection with my remarks on the subject, I am going to have printed in the RECORD the telegrams to which I have referred. There is a considerable number of them, but they are not so numerous that they will very greatly encumber the RECORD. I can understand how one interested in the subject matter of legislation may prompt others to send a message to a representative in Congress urging a viewpoint touching proposed legislation.

There are other telegrams on the same subject in my office. I have not them at hand, and I shall not, therefore, ask to have them published in the RECORD; but, as illustrative of how good people may differ about a proposition, I request that these telegrams be printed in the RECORD. Some of them say that the adoption of the amendments will simply ruin the cotton trade of the South. Others declare that the adoption of the amendments is necessary for the protection of every interest that mortal man should hold dear.

The PRESIDING OFFICER. Without objection, the telegrams referred to by the Senator from Arkansas will be printed in the RECORD.

The telegrams are as follows:

LITTLE ROCK, ARK., May 26, 1936.

Senator JOE T. ROBINSON,

Senate Office Building:

Senator SMITH's amendments to commodity exchange bill introduced Monday are objectionable to the cotton trade wherein co-operative associations are eliminated from on-call sales restrictions. See McKELLAR's report on cooperatives. Increase margin requirements are also much opposed.

W. S. TURNER,

Secretary Arkansas Cotton Trade Association.

LITTLE ROCK, ARK., May 26, 1936.

Senator JOE T. ROBINSON,

Senate Office Building:

Senator SMITH Monday introduced amendments to the commodity exchange bill which are objectionable to cotton trade. Increased margin requirements are much opposed. Elimination of cooperatives from on-call sales objectionable. McKellar investigation shows they are merchants and dealers in cotton not representing the farmer. I strongly urge your vote against amendments.

W. A. THOMPSON.

FORDYCE, ARK., May 26, 1936.

Senator JOE T. ROBINSON:

Friend in Bank of New York & Trust Co. solicit that you see personally telegram sent you this morning by Perry E. Moore regarding commodity exchange bill. Thank you.

A. B. BANKS.

NEW YORK, N. Y., May 26, 1936.

Senator JOSEPH T. ROBINSON,

Senate Office Building:

(Personal.)

This is in reference to commodity exchange bill (H. R. 6772) and Smith amendments and is important and should be given your immediate earnest consideration. How can you in any way justify placing cotton, the South's greatest commodity and the country's greatest export commodity, under legislation designed entirely for grain trade, and how can you justify regulation and administration of the product of your farmers' labors by grain administrators who are entirely unfamiliar with cotton problems and problems of the South? The present Secretary of Agriculture is a grain man and naturally favors the commodity exchange bill. This bill gives Secretary of Agriculture blanket powers, but what assurance have you that at some future date we may not have a Secretary who will be hostile to southern cotton producers, and then how will these discretionary powers work out? Think it important that you and your associates have cotton deleted from this bill and vote down Smith amendments, as this legislation destroys the buying power afforded to the farmers and so restricts their outlets and markets that low prices are inevitable to them. How can you justify your position to your constituents in view of the above facts?

PERRY E. MOORE.

FORREST CITY, ARK., May 28, 1936.

Senator JOE T. ROBINSON:

Senator SMITH's new amendments to the commodities exchange control bill practically same as his previous amendments. We consider them as dangerous and strongly oppose same.

RAY F. PRICE,
L. R. MULLIKIN.

BLITHEVILLE, ARK., May 25, 1936.

Senator JOE T. ROBINSON,
Washington, D. C.:

Notice H. R. 6772 up today in the Senate; new amendments proposed by Senator SMITH against the best interest of the cotton farmer and cotton merchant. Solicit your opposition to these amendments.

JESSIE TAYLOR.

BLITHEVILLE, ARK., May 25, 1936.

Senator JOE T. ROBINSON,
Washington, D. C.:

Notice H. R. 6772 up today in the Senate; new amendments proposed by Senator SMITH against the best interest of the cotton farmer and cotton merchant. Solicit your opposition to these amendments.

H. J. HALL.

BLITHEVILLE, ARK., May 25, 1936.

Senator JOE T. ROBINSON,
Washington, D. C.:

Notice H. R. 6772 up today in the Senate; new amendments proposed by Senator SMITH against the best interest of the cotton farmer and cotton merchant. Solicit your opposition to these amendments.

J. H. CRANE.

MEMPHIS, TENN., May 25, 1936.

Senator JOE T. ROBINSON,
Care of J. R. Brewer, 1722 Nineteenth Street,
Apartment 615, Washington, D. C.:

My wire of today is regarding today's amendments of Senator SMITH. They are the same amendments he has been talking about all the time, though they may have on different dresses, and the protests various Senators have received surely apply to them just as much as when their verbiage was different; though understand he says nobody can have received protests, for they are new and any wires received before today consequently out of order. Your remarks that unfortunate to bring them in at such a late date surely true. Hope you can kill them. Regards.

SID Y. WEST.

CAMDEN, ARK., May 25, 1936.

Senator JOE T. ROBINSON,
Washington, D. C.:

We, the Camden Chamber of Commerce, wish to register violent opposition to Smith amendment to commodity control bill, which we consider highly discriminatory; is obviously aimed at Anderson Clayton Cotton Co. This company is of great value to all south Arkansas in providing cotton market. This company has best facilities for handling South's export cotton. Why penalize them when we need their facilities and ability to sell American cotton abroad? We enjoy navigation on Ouachita because of cotton movement of Anderson Clayton. We urgently request your active opposition to Smith amendment.

CAMDEN CHAMBER OF COMMERCE,
S. D. HOLLAND, Manager.

BALDKNOB, ARK., May 26, 1936.

Hon. JOE T. ROBINSON,
United States Senator, Washington, D. C.:

New amendment proposed by Senator SMITH, House bill 6772, very objectionable to cotton trade, detrimental to producers. Hope you will oppose and vote against it.

B. L. OLIVER.
CUL L. PEARCE.
R. G. DEENER.
R. H. DEENER.
L. A. PRYOR.
J. E. LIGHTLE.
HUBERT SMITH.
JOHN CROCKETT.

DARDANELLE, ARK., May 26, 1936.

Senator JOE T. ROBINSON,
United States Senate:

Use influence defeat amendment H. R. 6772, proposed by SMITH yesterday.

F. D. MAJORS.

RUSSELLVILLE, ARK., May 26, 1936.

Senator JOE T. ROBINSON,
United States Senate:

Please use your influence and vote to defeat new amendment H. R. 6772 as proposed by Senator SMITH Monday.

C. R. LINTOR.

LITTLE ROCK, ARK., May 25, 1936.

Senator JOE T. ROBINSON:

Will appreciate your support of Smith amendment to cotton bill.

W. L. MAGNESS.
H. WORLEY.
J. B. HILZHEIM.

LITTLE ROCK, ARK., May 25, 1936.

Hon. JOE T. ROBINSON,
United States Senator:

Trust you will support and vote for Smith amendments commodity exchange bill.

R. A. POWELL.

LITTLE ROCK, ARK., May 25, 1936.

Senator JOE T. ROBINSON:

For the benefit of cotton producer as well as cotton trade, appreciate your support of Smith amendment.

OLIVER O. SCROGGIN.

LITTLE ROCK, ARK., May 25, 1936.

Senator JOE T. ROBINSON:

Believing passage of cotton bill with Smith amendment will be beneficial, entire cotton industry urgently ask your support.

LEO HAMBURG.

LITTLE ROCK, ARK., May 25, 1936.

Hon. JOE T. ROBINSON,
United States Senator:

Please use your influence favor Smith amendments commodity exchange bill. Will consider it personal favor.

LUCIEN E. FARRELL.

LITTLE ROCK, ARK., May 25, 1936.

Hon. JOE T. ROBINSON,
United States Senator:

Your influence in favor Smith amendments commodity exchange bill will be appreciated.

CHAS. L. HOLLOWELL.
JOE MILLER.

Mr. COPELAND and Mr. SHEPPARD addressed the Chair. The PRESIDING OFFICER. Does the Senator from Arkansas yield; and if so, to whom?

Mr. ROBINSON. I yield first to the Senator from New York.

Mr. COPELAND. Mr. President, I should like to say to the Senator from Arkansas that I am not so much disturbed about the telegrams, because I have had the same experience—I have received a great many one way, and a great many the other way—but what disturbs me is that I find, in conversation with Senators on the floor of the Senate, that almost with one accord they say they do not know what the bill is about.

Mr. SMITH. Does the Senator mean the whole bill?

Mr. COPELAND. The whole bill. Now, that may be our fault; but here we are, at the end of the session, crowded with work, anxious to get away, and a bill is brought before us that is so important that, as the Senator from Arkansas says, one group assert that the future of the Nation depends upon its passage, and the other group assert that if it shall be passed the Nation will go to the bow-wows. My contention is that we are not well enough informed to pass judgment upon the bill.

Mr. WALSH. Mr. President, I was not informed on the subject until I gave it some study; and I must frankly say that at first the bombardment of telegrams that I received directed me toward favoring the opposition to the amendments, and in opposition to the position of the Senator from South Carolina. When I analyzed the amendments, however, and found out their purpose and objective, I came to the conclusion that they ought to be approved, that they are reasonable amendments and in the public interest.

Mr. CONNALLY. Mr. President, the Senator has explained his reaction to the telegrams he received from those who originally opposed the amendments, and said he had a large number of telegrams from other interests favoring them.

Mr. WALSH. But most of my telegrams have been in opposition. Nearly all of them have been in opposition.

Mr. CONNALLY. Would the Senator mind stating what the other class of people were who favored the amendments?

Mr. WALSH. I should say that about 9 out of 10 telegrams I have received have been in opposition to the amendments; but I have talked to people who have made a study of the bill, and I find that most of them, and particularly some who represent what I may call the independents, the small brokers—there are 3,000 of them—are for the amendments. As I understand this amendment, this one

and some of the others are an attempt to give the small, independent companies a chance to do business on the exchange, and to sell spot cotton, and not to let two or three who have control of the market, and who at one time controlled 30 percent of all the cotton in the country, monopolize the cotton business.

Mr. SMITH. Why, certainly. The purpose and object of the whole bill is to give a free, open market, without the whole business being concentrated in a few hands.

Mr. WALSH. I come from a section of the country where it is desired to have a free sale of cotton, and to have as few barriers as possible, and where cotton is processed into textiles; and I certainly should not favor these amendments if I were not convinced that they are sound and helpful to the producer of cotton, helpful to the manufacturer, and helpful to the broker who is honest and does not want a monopoly.

Mr. COPELAND. Mr. President, I will say that I was called from the floor a little while ago by one of the independents spoken of by the Senator from Massachusetts.

Mr. CONNALLY. Independent of what?

Mr. SMITH. Independent of these three big concerns.

Mr. CONNALLY. I wish to know whether the Senator means a spinner, a broker, a merchant, or a cotton grower.

Mr. COPELAND. A broker. He gave me the same impression that the Senator from Massachusetts has expressed—that the small dealer, the small man, is for the bill, and the big one is against it. Now we have to choose between the big ones and the little ones, and, in my judgment, we are not prepared to do so.

Mr. WHITE. Mr. President, this question as to big and little people prompts me to go on and read a bit more from the telegram to which I made reference a moment ago. I may say that this is a telegram from Boston. The entire telegram is as follows. I will omit the signature:

Understand three new amendments cotton commodity exchange regulation bill now before Senate. Proposed stringent limitations will, in my honest opinion, prove harmful to all manufacturing concerns, large merchants, and producers.

Protect manufacturer from rising costs of operation unless definite benefits accrue to others. From study of amendments, unable to see benefits to anyone except New York brokerage houses.

Mr. SMITH. It does not affect them at all. What has New York to do with it?

Mr. WHITE. That is what I do not know. Like the Senator from Massachusetts, I have received a great many telegrams, most of the senders insisting that I oppose these cotton amendments; but in no instance have I had a clear explanation as to how the amendments would adversely affect the cotton industry of New England. I have received some telegrams, at least one or two, urging me to support the amendments. I am in a hopeless state of confusion as to what one desirous of being of assistance to an industry of his section, and having due regard to all other interests, ought to do.

Mr. SMITH. Mr. President, let me explain to the Senator that the present monopolistic arrangement puts into the hands of a few the power to dictate the terms upon which the mills and all others have to trade in cotton. I do not want to go into personalities and minute details, but if my colleagues will excuse the personal allusion, my whole living has depended upon the cotton fields of my plantation, outside of the salary I receive as Senator. I have had opportunity not only to grow cotton but to handle it for a farm organization, both for export and on the import side. I think I know the cotton business from beginning to end, and the New England States have petitioned me to see that they get some cotton stored there, and they did not get it. Just follow that out.

I have devoted my whole political life to cotton, and it is a matter of tremendous importance, and I state here today, as one man in the Senate who has devoted his life to cotton, that the hope of the mills, and the hope of the farmers, the hope of the small dealers and of the small cotton merchants lies in this limitation. I make this statement as the result of a lifetime study of this question.

Mr. WHITE. Then, the Senator is in complete disagreement with the manufacturers of New England who think the proposed action would be harmful to them.

Mr. SMITH. Yes; I think they are laboring under a misapprehension.

Mr. WALSH. Mr. President let us consider this matter from the very foundation. I have a letter stating the objections to the amendments originally presented by the Senator. They are three:

1. The abolition of southern delivery.

That is out, as I understand. It was originally proposed but it is not now included in the committee amendments?

Mr. SMITH. It is not in now.

Mr. WALSH. The second objection is:

Arbitrary statutory limitations upon the amount of business that might be handled by any one cotton firm.

That is covered in the amendment now pending before the Senate?

Mr. SMITH. That is correct.

Mr. WALSH. The third objection is:

The abolition or restriction of buying and selling cotton "on call."

That is not included. That has been removed by the committee, and there is no amendment dealing with that?

Mr. SMITH. The Senator is correct.

Mr. WALSH. So that two-thirds of the objections mentioned in this letter have been met. Am I correct?

Mr. SMITH. The Senator is correct.

Mr. WALSH. There is one objection about which this correspondent and several others have written, which is involved in the amendment now pending. The committee, in its investigation, found that two or three of the large brokers, or possibly four, so manipulated the market that they controlled 35 or 40 percent of spot cotton and of cotton credits on the exchange, which the committee found to be detrimental to the producer, detrimental to the manufacturer, and detrimental to the small broker; and the committee seeks to put this limitation into the bill in order to curb what they think is an abuse in the hands of a few people who control the business on the cotton exchange.

Mr. SMITH. That is correct.

Mr. WALSH. That is all there is to the pending amendment. I understand that the other amendments are largely administrative amendments by which the administrators of this law seek to correct some of the abuses which exist. Only one objection is left so far as I understand the original protests.

Mr. WHITE. Mr. President, will the Senator from Massachusetts yield?

Mr. WALSH. I yield.

Mr. WHITE. Is it to be understood, from what the Senator says, that the pending amendment will give to the cotton manufacturers in New England an opportunity to purchase in a free market?

Mr. WALSH. Yes.

Mr. WHITE. As against a restricted market?

Mr. WALSH. Absolutely.

Mr. SMITH. Absolutely free. Anyone may buy, and one can deal with whom he pleases.

Mr. WALSH. I expect that if we asked the manufacturers of New England what they thought of this amendment those who were customers of the concerns against which this amendment is aimed would protest. I find that all the independents, all the small-business men, think this change will mean a freer market. It is just the same as with grain.

Mr. SMITH. Precisely the same.

Mr. WALSH. Why did we pass a law for the regulation of the grain exchange? It was to prevent the grain of the country being controlled on the exchange by two or three people. Is that not correct?

Mr. SMITH. That is correct.

Mr. CONNALLY. Mr. President, that is already the law. Cotton has been included along with grain, but this amendment makes an exception as to cotton—takes it out of the measure regulating grain.

Mr. SMITH. Oh, no.

Mr. CONNALLY. There is no occasion for amending a law which is already on the books unless we expect to change it.

Mr. WALSH. Mr. President, we had before us for a few days the Federal Trade Commission bill, designed to fill up gaps in that law. The Commission pointed out abuses which had grown up, and they desired to have additional power. We had before us yesterday a bill along the same line. The bill before us now has practically the same object. The Department of Agriculture found that in the administration of the grain-futures law there were certain abuses, that efforts had been made to get around the original law, and, as I understand it, the pending bill is designed to curb what the Department of Agriculture believes to be growing abuses.

Mr. CONNALLY. Mr. President, the Senator says the Department of Agriculture found that there were abuses. The particular amendment before us provides for the limitation of hedging operations. This is what the Secretary says about that:

The Department has definitely approved the limitation of speculative accounts, but it does not favor limiting legitimate hedging.

And that is what the amendment proposes to do.

Mr. WALSH. Perhaps I should not have said the Department of Agriculture, but I understood the committee of the Senate investigated this very question. Did it or did it not?

Mr. SMITH. It did.

Mr. WALSH. Did the committee unanimously agree that there were abuses?

Mr. SMITH. Yes.

Mr. WALSH. And the committee reported this amendment to correct one of those abuses?

Mr. SMITH. We did. Now, let me explain this "legitimate hedging." That was incorporated in the bill to take care of cooperatives. What is legitimate hedging? Suppose I had money enough to go out on the market and buy up the entire cotton crop, and then, if I saw fit, hedge it. That would be legitimate hedging. The abuse came because of the extent to which it went, just as in the grain trade.

If one gets money enough and corners the cotton market and then insures it with the hedges, he has the cotton market, both on the speculative side and on the spot side. There is legitimate hedging, and the provision as to that was inserted in the bill for the purpose of taking care of the cooperatives.

Mr. SHEPPARD. Mr. President, I desire to ask the Senator from South Carolina to comment upon the position of the Department of Agriculture in this matter. The Department says:

The objections to this amendment are:

1. It would in effect destroy the cotton cooperatives, because the limits are so small that their growth would be so limited that they could not successfully operate. This would be the most important factor in the market, and the producers of cotton would suffer.

2. It would unnecessarily limit legitimate trading particularly when one considers both foreign and domestic markets.

The Farm Credit Administration has loaned many millions of dollars to the cooperatives, and have invested in facilities. This would seriously jeopardize the interests of the Government in these associations.

I think it is both fair and helpful to state the position of the Department of Agriculture at this time, and I should like to have my colleague from South Carolina comment upon these objections.

Mr. SMITH. Mr. President, as I said a moment ago, I could see the necessity for such action if the farmers themselves were handling their cotton, but I never could understand how they could pool their cotton for better prices and then hedge it, for the minute the cotton is hedged the price is frozen until the hedge is lifted.

Suppose today you desire to buy 1,000 bales of cotton. You are in the cotton business. A seller desired to sell the cotton to you, and you bought it. The New York and the New Orleans exchanges are always open and ready to take the risk. Suppose you pay 10 cents a pound for the cotton

and the seller brings you the cotton. Immediately you sell a thousand bales at the same price in New York. Now your cotton is hedged.

Let us see how nicely it works. If cotton goes up a cent a pound, you have sold in New York at 10 cents a pound, and it is now 11 cents. You sell your spots at 11 cents and take the \$5 extra and send it to New York to make payment there. Let us say that cotton goes down a cent a pound, or \$5 a bale. It has been bought in New York at 10 cents a pound; you can sell yours at 9 cents a pound, and the New York firm sends you \$5. It is an insurance of the price, and that is called hedging. However, a large concern may pick off its hedges at any minute. It may sell its cotton and transfer its hedges, as was done in the case referred to with respect to pool cotton. In that case the pool representative sold the farmers' cotton and got the money. He bought a like amount on New York. That was not hedging. That was pure speculation. He had disposed of the spots and bought the futures.

Mr. WALSH. Mr. President, the next question, if I may interrogate the Senator, is: Is the limitation in question reasonable, assuming that it was found to be desirable to put a limitation in the amount that one person should directly or indirectly buy? I understand the bill fixes the limitation at 100,000 bales for delivery in any one delivery month with respect to all exchanges, and at a total of not more than 600,000 bales delivery in any 12 consecutive months in respect to all exchanges.

I should like to say that I have reached the opinion that the limitation is reasonable, if any is to be made, because I find from investigation that the number of bales of cotton consumed in all the textile mills in New England is about 70,000 bales. The bill allows one person to handle 100,000 bales in 1 month, when all the consumption of that section of the country is only 70,000 bales per month. Furthermore, the whole consumption in New England for a whole year is only about 600,000 bales, which is the amount any one broker may buy. As the Senator's amendment makes it possible in his limitation that one man may buy and sell all that the textile mills of one section use, I think the limitation is desirable and reasonable.

Mr. SMITH. Mr. President, I wish to state to the Senator what the value of the limitation is. One hundred thousand bales under the present value of cotton amounts to \$6,000,000. One man may deal in cotton to the value of \$6,000,000, or if he handles 100,000 bales in each of the 6 months, \$36,000,000. If he were to liquidate those holdings, then in 90 days he could repeat the operation, and within a year he could handle four or five times that amount. But he must liquidate his monthly holdings, if they are 100,000 bales, before he can put in another 100,000 bales, or if he were to sell 50,000 bales in any one month he could put in another 50,000 bales. The purpose of the provision is to make him turn over his holdings of cotton, and not to monopolize the market by freezing it in the amount of four or five hundred thousand bales in 1 month.

I maintain that the cooperatives would not in any sense be jeopardized by my proposed amendment for the reason that if they had 1,000,000 bales they could put 600,000 bales on the futures market, and then liquidate it from month to month, and handle half the crop within a year.

Mr. WALSH. In a later amendment I understand the situation will be corrected by a requirement for actual deliveries within each month.

Mr. SMITH. Yes. Mr. President, I positively cannot understand how anyone among the Members of this body who favors antimonopoly and free trade can object to the proposed amendment.

Mr. BILBO. Mr. President, if I am to keep the resolution made when I entered the Senate, I shall not attempt to discuss any question of which I have not made a study. As a member of the Committee on Agriculture and Forestry, it has been my pleasure for the past 4 or 5 weeks to take part in an investigation of the cotton situation; and I rise

on this occasion to endorse the position taken and amendments which are being sponsored by the Senator from South Carolina.

Every person who knows anything about the cotton business knows that something is wrong with it. I am persuaded to believe that no matter what we do we cannot make conditions much worse. Congress will convene again in January 1937. If the proposed legislation shall be passed, there will be a try-out of between 6 and 7 months; and I appeal to the Senators who hail from the other sections of the United States to give some consideration to the wish and desire of the Senators from the cotton-producing States who have attempted to find a solution for the trouble that has confronted the cotton growers of the South.

Mississippi is the second largest cotton-growing State in the American Union; and in supporting the amendments offered by the Senator from South Carolina I am persuaded that I am representing the best interests of my constituents.

I, too, have been flooded during the past few days—yea, for several weeks—not only with personal visits but with telegrams and letters from those engaged in the cotton trade, urging me to oppose the pending amendment and the position taken by our veteran leader in the interest of cotton. The more of these telegrams I received, and the more I investigated the source of their inspiration, the more I became convinced that we are on the right track to get relief from a condition which for a number of years has been intolerable.

I trust that Senators from other sections of the United States who are not especially interested in the welfare of the cotton producers, because they have no such constituents, will give our appeal the same consideration that I am inclined to give to those Senators who represent the grain-growing sections of the United States as they seek relief for their constituents.

I shall not undertake to discuss the technical details of cotton manipulation on the cotton exchanges and the boards, but merely content myself with saying that I know something is wrong. I have not had the opportunity of participating in the 90-day hearings to which reference has been made, but from a partial study of the hearings I believe we are on the right track. I appeal to Senators to give the plan proposed a 6 months' trial. If what we believe to be right shall prove to be wrong, then when we return next January I shall be found among the first to present measures of correction.

Mr. McKELLAR. Mr. President, I wish to ask the Senator in charge of the bill if he would be willing to return for a moment to page 9 of the new print of the bill, line 22, and accept an amendment to insert after the word "executed" the words "at public outcry across the ring"?

Mr. SMITH. I have no objection. It intensifies what I am trying to do, and that is to provide that all tradings shall be in the open.

The PRESIDING OFFICER. It will be necessary first to reconsider the vote by which the committee amendment as amended was adopted. Without objection, the vote is reconsidered.

Mr. McKELLAR. I now offer my amendment which I send to the desk.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 9 of the new print of the bill, in line 22, after the word "executed", it is proposed to insert the words "at public outcry across the ring", so as to make the paragraph read:

Nothing in this section or in any other section of this act shall be construed to prevent a futures commission merchant or floor broker who shall have in hand, simultaneously, buying and selling orders at the market for different principals for a like quantity of cotton for future delivery in the same month, from executing such buying and selling orders at the market price: *Provided*, That any such execution shall take place on the floor of the exchange where such orders are to be executed at public outcry across the ring, and shall be duly reported, recorded, and cleared in the same manner as other orders executed on such exchange.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 31 of the new print of the bill, proposing to insert certain new sections.

Mr. McKELLAR. Mr. President, it is almost 5 o'clock. I inquire of the Senator in charge of the bill if we may not suspend until tomorrow. I desire to discuss that part of the pending amendment which it is claimed affects cotton cooperatives. I understood the Senator from South Carolina to say he was willing to accept an amendment excepting the cotton cooperatives?

Mr. SMITH. "Bona fides", as the Senator will remember.

Mr. McKELLAR. I cannot agree to that. For that reason I hope the Senator will let us take a recess at this time until tomorrow, when I should like to explain to the Senate exactly the situation as it relates to cotton cooperatives.

Mr. SMITH. I shall be glad to hear that discussion.

Mr. ROBINSON. Mr. President, as I recall from reading the newspaper reports, the investigation to which the Senator has referred produced one impression on his mind and a radically different impression on the mind of his colleague on the committee, the Senator from Alabama [Mr. BANKHEAD].

Mr. McKELLAR. Not radically different, but somewhat different in one respect. Since that time I have received a copy of the report of the investigation by the Department of Agriculture. I shall have that report with me tomorrow. It contains every fact that was reported by the committee.

Mr. ROBINSON. I had earnestly hoped that the bill might be disposed of today. However, I am reluctant to resist the request of the Senator from Tennessee.

May I ask the Senator from South Carolina whether he would like to conclude consideration of the bill this afternoon, or what is his desire?

Mr. SMITH. Mr. President, I had hoped we might get through with the bill today. I am very much encouraged over the aspects of the situation. The one remaining amendment is an accommodation of the Cotton Futures Act to the commerce clause of the Grain Futures Act.

Mr. McKELLAR. Let me say to the Senator that if the cotton cooperatives were included in his amendment I should have no objection.

Mr. SMITH. I have no objection to that.

Mr. CONNALLY. Mr. President, the Senator from Texas has some views to submit on that matter even if the Senator from Tennessee has not. They are not in agreement with his views. I should like to have the matter go over until tomorrow.

Mr. SMITH. Very well.

NATIONAL FLOOD CONTROL

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. COPELAND. I move that the Senate insist on its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. COPELAND, Mr. FLETCHER, Mr. SHEPPARD, Mr. McNARY, and Mr. JOHNSON conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair) laid before the Senate messages from the President

of the United States submitting several nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of several officers and sundry midshipmen for appointment as officers in the Marine Corps.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the first nomination in order on the calendar will be stated.

RURAL ELECTRIFICATION ADMINISTRATION

The legislative clerk read the nomination of Morris L. Cooke, of Pennsylvania, to be Administrator of the Rural Electrification Administration for a term of 10 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. Mr. President, I ask unanimous consent that nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, nominations in the Army are confirmed en bloc.

That completes the calendar.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 p. m.) the Senate took a recess until tomorrow, Wednesday, May 27, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 26 (legislative day of May 12), 1936

DIPLOMATIC AND FOREIGN SERVICE

Eugene H. Dooman, of New York, now a Foreign Service officer of class 2 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

UNITED STATES DISTRICT JUDGE

* John W. Holland, of Florida, to be United States district judge, southern district of Florida, vice Halsted L. Ritter, removed by impeachment.

APPOINTMENTS IN THE NAVY

MARINE CORPS

The following midshipmen to be second lieutenants in the Marine Corps, revocable for 2 years, from the 4th day of June 1936:

Frederick R. Dowsett
Ted E. Pulos

CONFIRMATIONS

Executive nominations confirmed by the Senate May 26 (legislative day of May 12), 1936

RURAL ELECTRIFICATION ADMINISTRATION

Morris L. Cooke to be Administrator of the Rural Electrification Administration.

APPOINTMENTS IN THE REGULAR ARMY

Richard Henry Jordan to be assistant to the Quartermaster General with the rank of brigadier general.

Charles Harden Schutt to be first lieutenant, Medical Corps.

Walter Richard Cook to be first lieutenant, Medical Corps.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Capt. Claude Bayles Mickelwait to Judge Advocate General's Department.

Capt. Thomas Russell Howard to Quartermaster Corps.

Capt. Eggleston Westley Peach to Quartermaster Corps.

Capt. Willis Arthur Platts to Quartermaster Corps.

First Lt. Whitside Miller to Cavalry.

PROMOTIONS IN THE REGULAR ARMY

Albert Whitney Waldron to be lieutenant colonel, Field Artillery.

William Oliver Reeder to be major, Signal Corps.

POSTMASTERS

ALABAMA

Mack Karrh, Berry.

Jennings B. Key, Parrish.

ARIZONA

S. Paul Shoemaker, Buckeye.

Peter Riley, Clifton.

Bertha L. Hastings, Hayden.

George L. Noel, Holbrook.

Vernon Hubbs, Kingman.

Floyd H. Miller, Tempe.

Lee B. McAleh, Willcox.

George T. Stevens, Winslow.

ARKANSAS

William Earl Polk, Corning.

William B. Martin, Mena.

Fred Smith, Stephens.

CALIFORNIA

Jeremiah P. Shields, Bakersfield.

Edith Irvin, Clearwater.

Margaret A. Brophy, Hughson.

Cortez B. Combs, McFarland.

Clarence N. Hamblet, Oildale.

Alva Millard Smith, Parker Dam.

George F. Erwin, Sanitarium.

Elizabeth C. Bavier, Truckee.

IDAHO

Robert J. Wood, Weiser.

ILLINOIS

Pearle Paxton Bruner, Augusta.

Harry Bruns, Camp Point.

Raymond O. Huffman, Catlin.

Guy E. Ferree, Sr., Hamilton.

Mildred Conwell, La Harpe.

George A. Kreuter, Livingston.

Alice C. Nichols, Plymouth.

Guy George Gillespie, Pocahontas.

Rufus B. Grissom, Toledo.

Esper Ziegler, Warsaw.

Edward C. Jobusch, Waterloo.

INDIANA

Jack Dolan, Hartford City.

Fred Porter Rensberger, Lakeville.

Vance E. Worrell, Orleans.

Ivan Dale Watson, Russiaville.

IOWA

Charles J. Cash, Jr., Anamosa.

Albert C. Peterson, Corning.

Frank Howard Garrett, Council Bluffs.

John L. McLaughlin, Guthrie Center.

Harold E. Maffett, Murray.

John H. Gribben, Newton.

Ruth M. Pedersen, Pierson.

Charles E. Hudson, Pomeroy.
Henry J. Kelley, Shannon City.
Walter L. Hurd, Stanhope.
George W. Trowbridge, Stuart.
Ella M. Hames, Williams.

MARYLAND

Edgar R. Twilley, East New Market.
Ellwood E. Matthews, Pocomoke City.
Elliott W. Marshall, Snow Hill.
George R. Bromley, Stockton.

MASSACHUSETTS

Edward F. X. Jalbert, Grafton.

MICHIGAN

Regina W. Cleary, Escanaba.

MINNESOTA

Calvin R. Bouvette, Hallock.
Cornelius W. Vahle, Tracy.
Emma C. Nuernberg, Young America.

MISSISSIPPI

Fannie L. Lowry, Houston.

MISSOURI

James G. Skidmore, Barnard.
Benjamin F. Coleman, Center.
Theo J. Quinn, St. Joseph.
H. Sam Jones, Senath.

MONTANA

Emma M. Minette, Cut Bank.
Ethel H. Burchak, Stanford.
Phyllis M. Crockford, Sweetgrass.
Thomas E. Devore, Whitehall.

NEBRASKA

Fred W. Schuman, Osceola.

NEVADA

Olive V. Corbiere, Sparks.

NEW HAMPSHIRE

George F. Garneau, Franklin.
Hugh F. Waling, Keene.

NORTH CAROLINA

Robert A. Watson, Sr., Jonesboro.
John Locke Milholland, Statesville.

NORTH DAKOTA

Albert A. Glotzbach, Anamoose.
John Urbon Pavlik, Buffalo.
Frank C. Schroeder, Leonard.
Mary Olivia Hutchison, Rhame.
Albert J. Bateson, Rolla.
Chester A. Johnson, Scranton.

OHIO

Samuel R. McGuire, Bowerston.
Earle V. Miller, Hillsboro.
Marguerite E. Martin, Monroeville.
Aaron G. Shealy, New Washington.
Loretta H. Duswald, Scio.

OKLAHOMA

Bentley R. Jones, Stilwell.

OREGON

Emil L. Mueller, Clatskanie.
Eldon A. Rush, Elgin.
Lora C. Coykendall, Oak Grove.
Louis Earl Hammer, Tillamook.

PENNSYLVANIA

Harvey F. Ecelbarger, Big Run.
Arthur W. Kinsloe, Burnham.
Michael J. Hoban, Carnegie.
Earl H. Helms, Myerstown.
Andrew T. Urda, Nemacolin.
Edward F. Lawler, Olyphant.

Paul H. Shaak, Sheridan.
Edward J. Quinn, Wilkes-Barre.
Daniel Leger, Wilmerding.

SOUTH CAROLINA

Wiley W. McTeer, Jr., Ridgeland.

TENNESSEE

Ottie H. Seaver, Church Hill.
John S. McBride, Covington.
Monie Sandschulte, Loretto.
Robert W. Simmons, Sr., Sharon.

TEXAS

Mabel Darden, Holliday.
Martha A. Davenport, Ranger.
Edwin Westbrook, Mart.
Clarence Lamoine Power, Temple.

UTAH

Ray K. Bohne, Mount Pleasant.

VERMONT

Lyman W. Sheldon, South Londonderry.

VIRGINIA

S. Thomas Nottingham, Cape Charles.
Archa Vaughan, Floyd.

WISCONSIN

Frank S. Dhooge, Ashland.
Leslie E. Sawyer, College Camp.
Harold P. Van Buren, Hartland.
Charles V. Porter, Menomonie.
Lawrence E. Astin, Milton Junction.
John W. Schnettler, St. Nazianz.
William H. Shay, Somerset.
Julius G. Behm, Woodville.

WYOMING

Orville R. Booker, Basin.
Hazel E. Moore, Edgerton.
Francis R. Peek, Glenrock.
George W. Nance, Midwest.
Cleo H. Massey, Parco.
Daniel D. Spani, Rock Springs.
Bertha I. Frolander, Sundance.

WITHDRAWAL

*Executive nomination withdrawn from the Senate May 26
(legislative day of May 12), 1936*

APPOINTMENT IN THE NAVY

MARINE CORPS

Midshipman Marvin C. Clayton to be a second lieutenant
in the Marine Corps.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 26, 1936

The House met at 12 o'clock noon.

Rev. William Andrew Keese, minister, Metropolitan Memorial Methodist Episcopal Church, Washington, D. C., offered the following prayer:

Almighty God, by whose grace our fathers laid firmly the foundations of this Republic in liberty and equality, grant unto us, their children, we beseech Thee, Thy continued favor, that we may always seek to know Thy will and to walk in Thy laws.

As our forbears subdued the wilderness and conquered the natural frontier, so may we, led by Thy spirit, transform the social frontiers of our times, that out of misunderstanding and inequality we may build the fair city of brotherhood and good will.

Lend encouragement to the strong prophetic voices which challenge us to prepare in our land a highway for our God; send wisdom and strength to all those who have the responsibility of government; and, above all, grant Thine enlighten-

ing spirit to the rank and file of our people to the end that, discerning truth from error and permanent good from temporary expediency, they may follow that manner of life which leads to security and justice for all.

Preserve in us those ancient integrities of the soul which make for peace in our borders and friendship with all the world.

In the day of our opportunity, guide Thou us to create the agencies of cooperation which shall make us all one happy nation in a family of nations. May each home be hallowed by the honor of Thy name; may the humblest of our citizens have a sense of kinship with the highest. Under the fatherhood of God, may the brotherhood of man be attained. And grant that the light of our land, shining through all the world, lead the nations to peace and prosperity, to righteousness and true success. We pray in the spirit of Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 18, 1936:

H. R. 10589. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes", approved August 30, 1935;

H. R. 10847. An act to authorize the acquisition of land for cemeterial purposes in the vicinity of New York City, N. Y.;

H. R. 12183. An act for the relief of Gladys Hinckley Werlich;

H. J. Res. 538. Joint resolution to provide for participation by the United States in the Ninth International Congress of Military Medicine and Pharmacy in Rumania, in 1937, and to authorize and request the President of the United States to invite the International Congress of Military Medicine and Pharmacy to hold its tenth congress in the United States in 1939, and to invite foreign countries to participate in that congress;

H. J. Res. 547. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition, to be held at Cleveland, Ohio, beginning in June 1936, and for other purposes; and

H. J. Res. 569. Joint resolution to authorize an appropriation for the expenses of participation by the United States in a conference at Brussels to revise the Convention for the Protection of Literary and Artistic Works concluded at Bern, September 9, 1886, and revised at Rome, June 2, 1928.

On May 19, 1936:

H. R. 2119. An act for the relief of Mrs. E. L. Babcock, mother and guardian of Nelson Babcock, a minor;

H. R. 8089. An act for the relief of Joseph J. Baylin; and

H. R. 12162. An act to create an additional division of the United States District Court for the Southern District of Mississippi, to be known as the Hattiesburg division;

On May 20, 1936:

H. R. 2467. An act for the relief of Holy Cross Mission Hospital;

H. R. 5058. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes;

H. R. 7110. An act to authorize the President to bestow the Navy Cross upon Brig. Gen. Robert H. Dunlap, United States Marine Corps, deceased; and

H. R. 8506. An act for the relief of Oliver Faulkner.

On May 21, 1936:

H. R. 9370. An act for the relief of Frank Cordova;

H. R. 9373. An act for the relief of H. L. & J. B. McQueen, Inc., and John L. Summers, former disbursing clerk, Treasury Department;

H. R. 9455. An act for the relief of Robert J. Mann;

H. R. 10308. An act to amend article 3 of the "Rules Concerning Lights, etc.", contained in the act entitled "An act to adopt regulations for preventing collisions upon certain harbors, rivers, and inland waters of the United States", approved June 7, 1897;

H. R. 11036. An act to amend section 4321, Revised Statutes (U. S. C., title 46, sec. 263), and for other purposes;

H. R. 11302. An act to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans 3,000 blankets, olive drab no. 4, 1,500 canvas cots, to be used at their annual encampment to be held at Shreveport, La., in June 1936; and

H. R. 11346. An act for the relief of H. R. Heinicke, Inc.

On May 22, 1936:

H. R. 1398. An act to provide for the establishment of a Coast Guard station at or near Crescent City, Calif.;

H. R. 8370. An act to provide for the establishment of a Coast Guard station at Port Washington, Wis.;

H. R. 10321. An act to amend section 4 of Public Act No. 286, Seventy-fourth Congress, approved August 19, 1935, as amended; and

H. R. 10544. An act authorizing the erection of a memorial to those who met their death in the wreck of the dirigible *Shenandoah*.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 11454. An act to incorporate the Veterans of Foreign Wars of the United States.

The message also announced that the Senate had ordered that the Secretary be directed to request the House to return to the Senate the bill (S. 4100) to incorporate the Veterans of Foreign Wars of the United States.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 262. Joint resolution granting the consent of Congress to the States of New York and Vermont to enter into an agreement amending the agreement between such States consented to by Congress in Public Resolution No. 9, Seventieth Congress, relating to the creation of the Lake Champlain Bridge Commission.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 4023. An act to provide for the continuation of trading in unlisted securities upon national securities exchanges, for the registration of over-the-counter brokers and dealers, for the filing of current information and periodic reports by issuers, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12527) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1937, and for other purposes."

The message also announced that the Senate insists upon its amendment to the bill (H. R. 7736) entitled "An act to provide for the establishment of the Whitman National Monument", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MURRAY, Mr. BENSON, and Mr. NYE to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3531) entitled "An act to amend the act entitled 'An act for the control of floods on the Mississippi River and its tributaries, and for other purposes', approved May 15, 1928", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COPELAND, Mr. FLETCHER, Mr. SHEPPARD, Mr. OVERTON, Mr. McNARY, Mr. JOHNSON, and Mr. VANDENBERG to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. NORBECK members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments", for the disposition of executive papers in the Interior Department.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11418) entitled "An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1937, and for other purposes."

The message also announced that the Senate had passed the following resolution:

Senate Resolution 304

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. RANDOLPH PERKINS, late a Representative from the State of New Jersey.

Resolved That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12 o'clock meridian tomorrow.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937—MOTION TO INSTRUCT CONFEREES

Mr. BLANTON. Mr. Speaker, I offer a motion of the highest privilege, to instruct conferees under clause I 1-2a, rule XXVIII, section 910, of the rules of the House of Representatives, which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the motion.

The Clerk proceeded to read the motion.

CALL OF THE HOUSE

Mr. SNELL (interrupting the reading of the motion). Mr. Speaker, as this is a very important matter, I think we should have a quorum present. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 108]

Adair	Costello	Hoeppel	Powers
Andrew, Mass.	Crowther	Huddleston	Robinson, Utah
Andrews, N. Y.	Curley	Jenckes, Ind.	Rogers, N. H.
Bacon	Dear	Johnson, W. Va.	Ryan
Barden	Dietrich	Kee	Schaefer
Berlin	Ditter	Kennedy, Md.	Schuetz
Binderup	Dockweiler	Lanham	Shanley
Brennan	Driscoll	Lewis, Md.	Smith, Conn.
Brewster	Duffey, Ohio	Lundeen	Thom
Brooks	Dunn, Miss.	McFarlane	Tobey
Buckley, N. Y.	Fenerty	McGehee	Treadway
Bulwinkle	Ferguson	McGroarty	Turpin
Caldwell	Frey	McLean	Utterback
Carmichael	Goodwin	Marshall	Wearin
Cartwright	Green	Montet	Werner
Cary	Greenway	Murdock	Wigglesworth
Casey	Gwynne	Norton	Wilcox
Cavichia	Hancock, N. C.	Oliver	Wood
Chapman	Harlan	Patton	Zioncheck
Claiborne	Hennings	Peterson, Fla.	
Connery	Hill, Samuel B.	Plumley	

The SPEAKER. Three hundred and forty-three Members are present, a quorum.

On motion of Mr. BANKHEAD, further proceedings under the call were dispensed with.

PORT NEWARK ARMY SUPPLY BASE—VETO MESSAGE (H. DOC. NO. 497)

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 9042, "An act to provide for the sale of the Fort Newark Army Supply Base to the city of Newark, N. J."

The land on which this base is located was acquired from the city of Newark in 1918 for the storage and shipment of overseas supplies at its then value of \$1,330,000. The original outlay of the Government for construction was more than \$10,000,000. Since 1924 it has been under lease, chiefly for the purpose of preserving the plant in a saleable condition.

H. R. 9042 extends a very liberal option to the city of Newark to acquire the base for what purports to be \$2,000,000, but which is in fact a donation after 20 years, with annual payments by the city of no more than reasonable rent, or 5 percent interest on the arbitrary valuation. This is a departure from previous legislation under which States, counties, and municipalities have been given preferences to acquire surplus military reservations by paying the appraised value in cash. When such properties have been sold at public sale, a down payment of 25 percent has generally been exacted with interest on the unpaid portion of the purchase price.

That part of section 1 which implies an additional consideration moving from the city in the form of maintenance of the inshore channel furnishing ingress and egress to the base is not regarded of any legal effect, as the city has previously bound itself to maintain this channel and such work will inure to the city if it becomes the owner of the base.

Section 4, which is intended to authorize the sale to others if the city does not exercise its option, is open to several objections, the more important being:

It does not give the Secretary of War any discretion in the way of terms of sale, but requires the purchase price to be paid in cash, thereby confining competition to a limited number of bidders.

Disappointed bidders are encouraged to attack any sale.

Repeated offering of the property at public sale under identical conditions is required, irrespective of the success of preceding efforts or the prevailing market, thereby creating an uncertain situation which would seriously interfere with any temporary use of the property pending its permanent disposition.

In general, the bill, in addition to being unduly liberal to the city, establishes an undesirable precedent, and its restrictions, in the event of a public sale, render an advantageous disposition improbable.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, May 26, 1936.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. McSWAIN. Mr. Speaker, I move that the bill, together with the message of the President, be referred to the Committee on Military Affairs and ordered printed.

The motion was agreed to.

Mr. BLANTON. Mr. Speaker, there are several Members present who desire to submit conference reports. With the understanding that it shall not take me off the floor or be taken out of my time, I am willing that these bills be sent to conference; but with the understanding that my rights are still preserved.

The SPEAKER. It will not interfere with the gentleman's rights.

FLOOD CONTROL

Mr. WILSON of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference thereon.

Mr. SNELL. Mr. Speaker, reserving the right to object, is the gentleman's purpose merely to ask that the bill go to conference?

The SPEAKER. That is all.

Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WILSON of Louisiana, WHITTINGTON, GRISWOLD, RICH, and ENGLEBRIGHT.

COLLECTION OF REVENUE ON INTOXICATING LIQUOR

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint three additional conferees on the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DOUGHTON, VINSON of Kentucky, and REED of New York.

INTERNAL-REVENUE LAWS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report on the bill (H. R. 12793) to amend certain administrative provisions of the internal-revenue laws, and for other purposes.

Mr. SNELL. Will the gentleman tell us what bill that is?

Mr. DOUGHTON. That is the bill providing for refund of taxes paid under the A. A. A.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1937

Mr. CANNON of Missouri submitted a conference report and statement on the bill (H. R. 11418) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1937, and for other purposes.

NAVY DEPARTMENT APPROPRIATION BILL, 1937

Mr. UMSTEAD submitted a conference report and statement on the bill (H. R. 12527) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1937, and for other purposes.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937—MOTION TO INSTRUCT CONFEREES

The Clerk resumed and completed the reading of the motion to instruct conferees, which is as follows:

MOTION OF THE HIGHEST PRIVILEGE

Mr. BLANTON, under paragraph 1½a, of rule XXVIII, section 910, of the rules of the House of Representatives, offered the following motion to instruct House conferees, being a motion of the highest privilege, to wit:

Moved, That managers on the part of the House, who, at the request of the Senate, were appointed by the Speaker on April 24, 1936, for a conference with the managers on the part of the Senate, who were appointed by the Senate on April 23, 1936, respecting the disagreeing votes of the two Houses relative to 87 amendments placed by the Senate on the House bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, have been in conference more than 20 days without avail, said House conferees having been appointed more than 20 calendar days, and have made no report to the House, that they, the said managers on the part of the House be, and they are hereby, instructed as follows:

First. The House instructs its managers to insist on the disagreement of the House to Senate amendment no. 1, which proposes to appropriate \$5,700,000 out of the United States Treasury as a Federal contribution on the local civic expenses of the District of Columbia, and to insist on the House provision appropriating \$2,700,000, it being the position of the House of Representatives that inasmuch as the tax rate on the District of Columbia was lowered in 1928 from \$1.80 on the \$100 to \$1.70 on the \$100, which remained in effect up to and including 1933; that in 1934 such tax rate was again lowered from \$1.70 on the \$100 to \$1.50 on the \$100, which rate still prevails, being the lowest rate of taxation in any comparable city in the United States; and that said 1934 reduction in rate was a saving annually to local taxpayers of \$2,445,000 in cash; that also in 1934 the Commissioners arbitrarily lowered the assessed values of real estate \$80,000,000, which was an additional saving annually to property owners of \$1,200,000; that in 1935 the Commissioners again arbitrarily lowered the assessed values of real estate \$50,000,000, which was an additional saving annually to property owners in a large amount;

that in 1935 the Commissioners gave a 25-percent reduction in water rates and at the same time granted an increase in the metered allowance of from 7,500 to 10,000 cubic feet, which meant an additional saving to property owners of \$600,000 per annum on water charges; that a discount of 10 percent also was allowed property owners on water bills for payment of same within 15 days after being due, which meant an additional saving to them of \$100,000 per year; that the local tax rate on intangible properties is only one-half of 1 percent; that the local gasoline tax is only 2 cents per gallon, while in Maryland, just a few miles from the Capitol, it is 4 cents, plus a general sales tax; and in Virginia, just a few miles from the Capitol, and in Arizona, Georgia, Idaho, Kentucky, Louisiana, New Mexico, and the State of Washington it is 5 cents per gallon; and in the States of Alabama, Arkansas, Georgia, North Carolina, and South Carolina it is 6 cents per gallon; and in the States of Florida and Tennessee the gasoline-tax rate is 7 cents per gallon; and in the District of Columbia the tangible personal-property tax paid on many fine Packards, Cadillacs, and Pierce-Arrows, used family automobiles, is in instances as low as \$2, \$3, and \$4 per car; and the annual registration and license-tag charge is only \$1 per car, whether it is a Ford or a \$12,000 Rolls-Royce; and the annual average charge for water per average family is only \$6.60 per year; and each family has exempt from tax \$1,000 of household furniture; and each citizen has exempt from tax his private library, whether worth \$5 or \$50,000; and each person has exempt from tax all wearing apparel, whether worth \$5 or \$50,000; and there is no charge made on residences for gathering ashes, or gathering trash, or gathering garbage; and no charge is made to contiguous property owners for repairing and repaving sidewalks or for repairing and repaving streets; and there is furnished without charge to all property owners shade and ornamental trees around their property, and the fencing that protect the first years of early growth, the pruning, caring for, spraying, and replacing of them; and there is no annual charge made for sewer service; and there is no local bonded indebtedness with annual interest to pay, because in years gone by the United States Government paid one-half of all the Capital construction expense of paving streets, building bridges, jails, penitentiary, courthouses, municipal buildings, water system, sewer system, 150 schools, parks, and playgrounds, hospitals, and other improvements; and after once paying it out of debt the United States has kept the District of Columbia out of debt; and that outside of the regular Federal taxes the people of all cities everywhere pay, there is in the District of Columbia no estate tax, no inheritance tax, no gift tax, no income tax, and no sales tax; and that in his testimony every fact hereinbefore asserted was admitted to be true by Commissioner Hazen, the President of the Board of Commissioners, who testified that the people of the District of Columbia are better cared for, are the least taxed, and have greater privileges than any other people in the United States; and the Washington Board of Trade having advertised in the Washington Star on April 26, 1936, that during the last 5 years visitors to Washington had spent in Washington the huge sum of \$221,547,992, which resulted from the Government's institutions being located in Washington, and inures to the benefit of local residents here, it being the position of the House that under such circumstances, while citizens of Washington are taxed less than citizens of any other comparable city in the United States, it would be unjust and inequitable for the people residing in the States to be taxed to pay more than \$2,700,000 as an annual contribution to the expenses of the taxpayers of the District of Columbia.

Second. The House instructs its managers to insist on the disagreement of the House to the amendment of the Senate appropriating \$78,660 for so-called character education, the House having refused to allow same, and it being the position of the House that the \$63,385 appropriated in the 1935 bill for so-called character education was wasted and perverted, and that the \$89,540 appropriated in the 1936 bill has been wasted and perverted, there being no attempt to establish said character education in but 10 of the 175 schools of the District of Columbia, and that no good whatever but harm has been accomplished by the experiment, and as unanimously recommended by the subcommittee, which held an exhaustive hearing on the subject, the Committee on Appropriations in its bill and report refused to appropriate the \$4,400 for an assistant superintendent in charge, \$17,460 salaries for 12 clerks, and \$56,800 salaries of 22 research assistants and counselors, and refused to appropriate said \$78,660, and recommended the elimination of all funds for so-called character education, and said committee in its report unanimously recommended that the Board of Education should take immediate steps to eliminate from the public schools all communistic books and magazines.

Third. The House instructs its managers to insist on the disagreement of the House to Senate amendment no. 83, which struck from the House bill the following—

"Sec. 6. No part of the funds appropriated in this act shall be available for the payment of the salary of any officer or employee of the District of Columbia whose salary as such officer or employee is \$2,400 or more per annum who is engaged in any outside business or profession in addition to his official duties,"—

and to insist on said House provision, it being the position of the House that judges getting salaries of \$8,000, \$10,000, and \$12,000 per annum, and that attorneys getting salaries up to \$8,000 per annum, and that doctors getting salaries up to \$7,500 per annum, ought to apply themselves and give their time to their official duties, and ought not to neglect their duties by accepting outside employment.

Mr. SNELL (interrupting the reading of the motion). Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. SNELL. Mr. Speaker, I understand that the motion which the Clerk is reading is a motion to instruct the conferees. It seems to me that there is contained in this motion the argument on one side at least. Is that proper in a motion to instruct conferees?

Mr. BLANTON. Mr. Speaker, may I be heard?

The SPEAKER. The Chair will hear the gentleman.

Mr. BLANTON. Mr. Speaker, I may say this motion is drawn as the basis for the action of the House in instructing its conferees, to show that the House is not acting arbitrarily, but, on the contrary, has reason for thus instructing its conferees. If the gentleman from New York will listen to the next two instructions he will see they are very specific as to instructing the conferees, and the Clerk is about to read those two sections.

Mr. SNELL. Mr. Speaker, in order to get a ruling of the Chair, I make the point of order that the gentleman from Texas in his motion has gone far beyond what is intended to be placed in a motion to instruct conferees.

The SPEAKER. The Chair thinks the motion ought to be read first, so that the Chair may know the full context of the motion before a ruling is made. The Chair may say further that the rule under which this motion is offered would not ordinarily carry with it an argument.

Mr. SNELL. That is my point of order.

The SPEAKER. The difficulty is that one presiding officer may look at a certain motion in one way and another presiding officer look at it in another way. The Chair does not feel that he should be called upon to censor a motion offered by a Member of the House under the rules.

Mr. SNELL. Mr. Speaker, there can be no question in regard to this motion. The whole argument is being presented in the original motion.

The SPEAKER. If the Chair sustained the point of order made by the gentleman from New York, it would be necessary for the Chair to use a pencil and strike out the portion of the motion which occurs to the Chair as being argument; but, as previously stated, another presiding officer might take a different view of the matter. It seems to the Chair that, after all, it is a matter for the House to determine in the final analysis.

Mr. MAVERICK. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MAVERICK. When argumentation is included in a motion of this kind, if we vote favorably on it, we agree in effect to the various and sundry argumentative statements included therein. We are entitled to vote on a motion which clearly sets forth the instructions to the conferees and, when there is a large mass of argumentation in there, we are being placed in the position of agreeing to the argumentation.

The SPEAKER. The Chair may say to the gentleman from Texas [Mr. MAVERICK] that is a matter of argument.

Mr. MOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MOTT. Inasmuch as we have listened to about 15 minutes of argument in this motion, may I inquire whether it would be proper in calculating the time of the gentleman from Texas to deduct this 15 minutes from his time?

The SPEAKER. No; it will not be taken out of his time. The gentleman is entitled to 1 hour when the reading of the motion is completed.

The Clerk concluded the reading of the motion.

Mr. BLANTON. Mr. Speaker, the conferees of the House are nothing in the world but the servants of the House, and as such servants of the House they do the bidding of the House and carry out the wishes of the House. That is all on earth the conferees in this case want to do. Whatever this House instructs them to do they stand ready and willing to accomplish.

Mr. Speaker, the District of Columbia appropriation bill, containing 83 pages, was before this House under general debate for 3 days. A motion was made on the floor to amend the provision having to do with the lump-sum feature of the

bill enlarging it to \$5,700,000. A vote was taken in this House, and only 11 Members, as shown by the RECORD, supported this motion. Out of a membership of 435 Members, only 11 voted for a lump-sum contribution out of the Federal Treasury of \$5,700,000.

Mr. BOILEAU. Will the gentleman yield?

Mr. BLANTON. Permit me to finish my statement. I cannot yield now. If the gentleman will allow me to proceed I may yield later. Mr. Speaker, that motion failed, and that 83-page bill was not amended in a single particular. There was not one single amendment placed upon it. In order to register their opposition to the cut in the lump-sum and the other provisions some did not like in the bill, and to indicate the combined opposition as against all of its provisions, there was a roll call in the House on the passage of the bill, and upon that roll call there were only 26 Members who registered opposition to the bill in any particular.

The bill then went over to the Senate. There were 87 Senate amendments placed in the bill, some of them involving hundreds of thousands of dollars, and six legislative items. For instance, the House committee was convinced it was necessary to build a new Chain Bridge. The Budget had not authorized this item. But outside of the Budget the House committee voted unanimously to grant \$350,000 to build a new Chain Bridge, which was exactly the amount the Commissioners asked for, and it was the amount the Commissioners said they needed. They did not need any more. The Senate added \$100,000 to this item over the objection of the Commissioners. Colonel Sultan, Engineer Commissioner, said they did not want it and said they did not need it, but nevertheless the Senate added another \$100,000.

There are six legislative items included in the bill that have not been sent to a legislative committee for consideration. For instance, there is a legislative amendment in there to establish pay parking meters all over the Nation's Capital. Whenever a person stopped an automobile on the public streets of the Nation's Capital they would have to dig up money to put into the slot of this parking meter.

This parking meter is owned by one big corporation of the United States. This is to make the people of the Nation who have automobiles every time they park their car pay tribute to one big corporation or monopoly in the United States.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In just a minute.

Mr. MICHENER. Is there anything like that in this motion?

Mr. BLANTON. Certainly, it is involved in the conference. If the gentleman will not interrupt me I think I can get along much faster.

The SPEAKER. The gentleman from Texas declines to yield.

Mr. BLANTON. There are 87 Senate amendments involved here in this conference. We are asking for instructions on three important ones, but all 87 are in conference. Before this House ever appointed conferees, Mr. Speaker—before the bill ever went to conference—a statement was in the press from the Senate chairman that this was one time that the House conferees would have to accede to every one of the propositions of the Senate or there would be no bill; and when your conferees went to conference the managers on the part of the House found that situation prevailed—that unless we would agree to all the Senate conditions there would be no bill. They said a continuing resolution would be passed giving them what they wanted in the way of a lump-sum appropriation and if we attempted to amend the continuing resolution they would make the President furnish funds out of relief—a ridiculous proposition.

Your House managers did everything in the world to try to get a bill. Under these circumstances we did not want to leave the District without funds. We knew there were needed projects there that ought to be built and in order to try to get a bill, although we knew that lots of these propositions were not sound and that they should not be passed, we proposed to the Senate that if they would recede on just

three amendments, the House managers would recede on 84; in other words, the House managers would bow down and recede on 84 Senate amendments if the Senate conferees would recede on just 3, and they would not do it. They would not accept our generous proposal. They demanded their pound of flesh and demanded that the House should knuckle down to them."

I now want to show, Mr. Speaker, that there is ample authority, justice, and basis for everything that is contained in this motion as read by the clerk.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield for just a moment in order that we may clarify the pending issue before the House?

Mr. BLANTON. I have this statement in my mind—

Mr. BANKHEAD. I have this in my mind, if the gentleman please, and I am trying to assist the gentleman.

Mr. BLANTON. I yield to my majority leader, whom I follow and try to help all the time.

Mr. BANKHEAD. The gentleman's resolution is rather lengthy and I thought rather argumentative, but despite that, kindly state what your instructions are in this resolution and on what particular issue.

Mr. BLANTON. We are asking first that the House give us instructions to insist on a disagreement to the Senate amendment no. 1 to take \$5,700,000 out of the Public Treasury to give to the people of the District. That is instruction no. 1.

We are asking next that the House instruct us to stand by the House bill that was passed, with only 26 votes against it, not to allow \$78,660 to be appropriated for so-called character education, which your committee, after hearings, unanimously decided was used wastefully, without any good cause, and used in a perverted manner to put communism in our schools. That is the second instruction we want the House to give us.

We are also asking the House to instruct us to stand by the House bill with respect to a provision which affects only the employees of the District who are paid out of this bill, instructing us to stand by the House action in preventing these little municipal and police-court judges who get \$8,000 a year and these high-salaried prosecuting attorneys here who get as high as \$8,000 a year, from taking outside employment in one, two, three, or four law schools here at a time lecturing at night, when they ought to be attending to their judicial duties. We are asking instructions on that point. These are the three items, and when we get definite instructions on them and when we go to conference with the Senate, we can tell the Senate something and we will not have to sit there like a bunch of helpless mockingbirds with the Senate telling us what we have to do in order to get a bill. We can then place the responsibility on the Senate.

Now, the papers here have misrepresented this whole matter. They misrepresented the Speaker the other day. They said the Speaker had suggested they could get rid of the House conferees by making a motion to discharge. The Speaker made no such suggestion to the press and the press knows it. They also said the President was going to take a dish in this and force us to give \$5,700,000, when they knew the President had not done any such thing. Why, I am as good a friend as the President ever had, but if my President were to so far forget himself as to make an attempt to tell this Congress what it had to do about appropriations, I would quit him in a minute. I would not stand by a President who would invade the rights of this House when the executive and the legislative branches of Government are separate and distinct. Our President is too wise to make such a statement. The President did not make that statement and the press knows it.

This is an important matter and I want to call your attention to what Commissioner Hazen, who is the president of the Board of Commissioners, said about this tax matter.

Mr. MAPES, one of our splendid Members of Congress, diligent and efficient, after a long hearing and following a long investigation, as the head of a special committee of Congress, brought on this floor four bills known as the Mapes bills.

One was an increase in the tax on gasoline from 2 to 3 cents. Was that unreasonable? No. The other was an increase on the automobile charge where a Rolls-Royce costing \$12,000 is taxed only \$1 for license tax each year the same as a Ford, there being \$1 tax on all automobiles. The bill provided for a proper tax on automobiles and trucks.

Another Mapes bill provided for an income tax on these rich millionaires who now put their money away in lock boxes in the banks and who evade their taxes by moving to Washington, escaping the taxes in the States.

These Mapes bills were passed unanimously by this House, not a vote against them. They went to the Senate and died there because of the fight the newspapers of Washington made in conjunction with the rich interests who joined the newspapers in the fight.

We have tried to get these Mapes bills passed every year, but we cannot get the District Committee to report them or any help from the Commissioners of the District.

We were greatly helped by one valuable Member from your side [Mr. DITTER], who asked Commissioner Hazen why he did not favor the Mapes bill increasing the tax on gasoline, and he said: "We don't need it. We have over \$600,000 surplus from the 2-cent tax now."

Mr. DITTER called attention to the fact that over in Virginia, just 4 miles from the Capitol, the gas tax was 5 cents a gallon. In Baltimore and over in Maryland, just 4 miles from the Nation's Capital, the gasoline tax is 4 cents a gallon plus 5 cents sales tax on top of it.

Down in Tennessee, where our beloved Speaker lives, the gasoline tax is 7 cents a gallon, while here in Washington it is only 2 cents a gallon.

Mr. DITTER asked the Commissioner if he was going to help pass the Mapes bill and he said no, that the Commissioners were against it because they did not need the money.

They do not need the money because they have been getting the benefit of millions of dollars from the Treasury of the United States in big lump-sum appropriations every year, which the Senate has forced the House to appropriate.

Now, getting the low tax rate, the Commissioners reduced the tax rate from \$1.80 to \$1.70 in 1928, and then to \$1.50 per \$100. Then the chairman of the Senate committee, who is making this fight against us, Senator THOMAS of Oklahoma, made the suggestion one summer that one way to make the tax even less was to lower the assessed valuation, which the Commissioners immediately did. I will show you just what they did. I will show you from the hearings on the 1935 bill, held by my distinguished friend, Mr. CANNON, of Missouri, one of the finest Members of this House, and I will quote what Commissioner Hazen then said.

This is the voluntary statement of Commissioner Hazen to the committee without a question being asked by a member, and I read from page 5 of the hearings on the 1935 appropriation bill:

Commissioner HAZEN. Before the auditor takes the stand, the Commissioners would like to call attention to the fact that in the fiscal year 1934, the tax rate of \$1.70 on the hundred, which had been in effect during the fiscal years between 1928 and 1933, included, has been reduced to \$1.50 per hundred. This reduction represents a saving to the taxpayers in the fiscal year of 1934 of \$2,445,000.

A saving to the taxpayers of the District of Columbia, Mr. Speaker, at the expense of the taxpayers of New York, Tennessee, Oklahoma, Texas, and the other States.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield? Is the gentleman going to take the whole hour or will he yield time to somebody?

Mr. BLANTON. I do not think the gentleman from Massachusetts could help me much on this matter which I have studied for years.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I am sorry, but I cannot yield just now.

The SPEAKER. The gentleman from Texas declines to yield.

Mr. BLANTON. I do not want to take up any more time than necessary, but I am going to present this matter in a

proper way, so that the responsibility for continuing to take the money in the Treasury, which was taken out of the pockets of the overburdened taxpayers of the United States, and give it to Washington, will be placed where it belongs, on the shoulders of those who want it done, and who furnish the votes to do it.

When I was on the District Committee some few years ago, then the ranking Democrat, a bill was brought in to appropriate a large sum to buy some park ends. I got me an automobile and one of the officials from the District office and went out there to see where the park ends were and what they looked like, and I found they were some little old pieces of swamp down under a bridge and nearby. They were not worth \$5. We were asked to pay a big sum of money for them under the bill. The bill had been introduced by a Senator from Colorado, named Phipps. I looked up on the hill and I saw a fine residence there and said, "Whose residence is that?" The man with me did not know. I said, "Yonder is a policeman, we will call him down and find out." We called him down, and I said, "Whose residence is that?" "Why," he replied, "don't you know? That is the residence of Senator Phipps, of Colorado, and he is putting an addition up there." I came to town and got a photographer and had some big pictures taken of that situation, and when I presented those pictures on the floor, this House killed that bill as dead as could be. There has been too much of using the money of the people for individual interests here. [Applause.]

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I am sorry, but I do not think the gentleman could help me now. He may later, if he will help me with his vote. I have the facts I believe better than he has. Listen again. Here is Commissioner Hazen talking further, from whose testimony I quote:

Moreover, in the fiscal year 1934 the assessed valuation of real estate has been reduced by \$80,000,000—

You see, he has taken up Senator THOMAS' suggestion that they should decrease the assessed value.

Moreover, in the fiscal year 1934 the assessed valuation of real estate has been reduced by \$80,000,000, a saving to the property owners of \$1,200,000. The District budget for the fiscal year 1935 is based upon continuing the \$1.50 tax rate in that fiscal year. It is also contemplated that a further reduction in the assessed valuation of real estate of approximately \$50,000,000 will be made in 1935. The Commissioners also invite attention to the recommendation under the chapter for water service to a 25-percent reduction in water rates, for 1935, and an increase in the metered allowance of water from 7,500 cubic feet to 10,000 cubic feet. This means a saving to the water users of Washington of about \$600,000 annually. In the fiscal year 1934 Congress allowed a discount of 10 percent on the amount of any bill for water charges paid within 15 days after the date of rendition, and it is estimated this will make a saving of another \$100,000 to the water users of Washington.

Mr. Speaker, I ask leave to put in the RECORD the balance of the admissions made by Commissioner Hazen on these matters.

The SPEAKER. Is there objection?

Mr. GIFFORD. Mr. Speaker, I reserve the right to object, to ask if the gentleman is going to yield any time to anybody, or if he will yield for a question?

Mr. BLANTON. Gladly, if the gentleman will allow me to finish.

Mr. GIFFORD. The gentleman is asking to fill up the RECORD. We have listened for 15 minutes now to the reading of the motion, and we have now to listen to a whole hour of rehashing the matter on the floor.

Mr. BLANTON. I knew the gentleman was going to make that comment, and that is the reason I would not yield. Does he want his tax-burdened people in Massachusetts to help pay the taxes of the people in Washington?

Mr. GIFFORD. I want to say to the gentleman that we have been very loyal to him in backing him up on these propositions.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GIFFORD. Mr. Speaker, I reserve the right to object, to ask the gentleman if he is going to yield any time.

[Cries of "Regular order!"]

Mr. BLANTON. Oh, let him ask his question.

The SPEAKER. Is there objection?

Mr. GIFFORD. Mr. Speaker, I object.

Mr. BLANTON. All right, I will take the time, then, to tell the facts about this situation. Commissioner Hazen admitted that all of the paved streets here in Washington in the years gone by had been paid for, one-half of the expense, by the taxpayers of the United States.

He admitted that all the fine bridges here, the Million Dollar Bridge on Connecticut Avenue and other fine bridges, had been paid for one-half by the people of the United States. He admitted that all of the 150 school buildings that had been built during that time, although there are 175 now, had been one-half paid for by the people of the United States. He admitted that the parks in Washington, big and little, 1,200 of them, had been all procured and paid for one-half by the people of the United States. He admitted that the original water system had been built here by the Government of the United States. The Government had paid for every dollar of it. The Government of the United States still owns the original conduit and has spent \$20,000,000 since in helping to improve it; yet now they are asking the Government to pay for its own water from its own water system. They have a water rate here where he admitted that the average charge for the average family is only \$6.60 per year, or about 50 cents per month. Some members have to pay twice that much some months for water around their residence in the States.

Commissioner Hazen admitted that the District Jail had been paid for one-half by the United States, that all the court buildings have been paid for one-half by the United States, that the Municipal Building was paid for one-half by the United States. He admitted that all the main improvements here had been paid for one-half by the United States.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to my colleague from Texas.

Mr. MANSFIELD. I will ask my colleague if it is not a fact that the water system here was paid for altogether by the Federal Government?

Mr. BLANTON. Certainly. Yes; it was. The United States still owns the original water conduit. My colleague is correct. He knows the facts.

When the newspapers were harassing former Chairman Ben Johnson, of Kentucky, he made a statement concerning this Government taking the District out of debt one time, and he told of other amounts that the Government had let the District have. Ben Johnson contended back in that early day that if the District of Columbia paid the Government what it owed it, it would pay the United States over \$56,000,000 for actual debts, advancements that the Government had made to it. Ben Johnson then was one of the hardest working men who ever served on the District of Columbia Committee.

Mr. Speaker, Commissioner Hazen admitted that the gasoline tax here is only 2 cents a gallon. It is 7 cents in Tennessee. He admitted that the automobile license tag, whether it was for a Ford or a \$12,000 Rolls-Royce, was only \$1 a year. Down in Oklahoma it costs you 10 or 15 times that much. In other States it is comparably higher. He admitted, Mr. Speaker, that the intangible tax was only one-half of one percent; that generally, until a man dies and his estate is probated through the court under the register of wills, his intangibles are not found. We showed a half-page list of people who had died the previous year and had passed their intangibles through the office of the Register of Wills, and there were some running up from \$50,000 to as high as \$1,200,000 of intangibles in one case. We made him admit, Mr. Speaker, that in Washington, all of the streets are repaired and are replaced without charge to abutting property owners. The paving in front of your property is repaired

and replaced without a dollar's charge to the contiguous property owner.

In other States when paving is done on streets you pay one-third or one-fourth of the paving charges in front of your property. In Washington when it is repaved it does not cost the people a cent. We made him admit that all the sidewalks in front of residences here are replaced and repaved without one dollar of cost to the people who own the contiguous property. We made him admit that to every family in Washington there is \$1,000 household furniture exemption from taxes. You will not find it in my State. It is only \$250 exemption in Texas on household goods. In Washington it is \$1,000 exemption. We made him admit that here in Washington private libraries are exempt from taxes, whether they are worth \$5 or \$50,000. There are some private law and other libraries in Washington right now worth \$50,000 which do not pay one cent of taxes. We made him admit that in Washington the wearing apparel of individuals is not taxed at all. By the law it has been made exempt from taxes, whether it is worth \$5 or \$50,000. We had some evidence, and I have it in my office now, where the wearing apparel of certain rich families will run up to a very large sum in value, absolutely exempt from taxes.

That is why our committee, when we printed the hearings, put into our hearings the actual tax that is paid by over 100 of the leading citizens of Washington who were drawing from \$20,000 to \$75,000 annual salaries, and showed that their property was assessed in instances at less than one-half its actual value. Then they were paying only \$1.50 per hundred at that low assessment. For instance, we showed you that Mr. Eugene Meyer once had offered \$5,000,000 for the Washington Post. We showed you that his offer was not accepted. Later on David Lawrence entered into a written contract to pay \$3,000,000 for it, the Washington Post, and he was knocked out of it. Then Eugene Meyer got hold of a paper company that had a debt against the Post and had a receiver to sell, appointed in an equity proceeding, when there was no judgment, something unheard of in equity proceedings in the whole jurisprudence of the country.

Mr. SNELL. Mr. Speaker, I make the point of order that the matter which the gentleman is presenting to the House at the present time has nothing whatever to do with the motion before the House. The question of how Mr. Eugene Meyer bought or came into possession of the Washington Post has nothing to do with the question of instructing the House conferees.

The SPEAKER. The Chair trusts that the gentleman from Texas will proceed in order.

Mr. BLANTON. Mr. Speaker, I thought I was proceeding in order in trying to show the House a basis for instructions. We are not asking the House of Representatives to instruct us to stand by something without some basis for it. I am asking the House to instruct us on the facts that exist here. I am trying to show what the facts are as admitted by Commissioner Hazen.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I always yield gladly to the minority leader.

Mr. SNELL. How does the question of the amount of money Eugene Meyer paid for the Post, whether he got it too cheap or paid too much for it, have anything to do with the question before the House at the present time?

Mr. BLANTON. I was coming to that. If I did not show what it was rendered at for taxes it would not.

Mr. SNELL. In my judgment it would not. I should like to have the gentleman tell us how it affects the motion.

Mr. BLANTON. I am going to show the gentleman that he renders it for taxes at way below 50 percent of its real value. In other words, Mr. Speaker, he got that \$3,000,000 to \$5,000,000 property at auction when it was under receivership, for \$825,000, got it through a dummy. He immediately had it incorporated for \$1,250,000. Then he had it improved, and he now renders the property for \$438,120, and renders his intangibles at \$218,456. He renders the whole

property at only \$656,576, about one-eighth of what it is worth, and on this he pays only \$1.50 per \$100. That is what it means to these big interests here to keep the tax rate low and make the people of the United States in the several States pay \$5,700,000 of their expenses.

Mr. MAY and Mr. TABER rose.

Mr. BLANTON. I yield first to my friend the gentleman from New York [Mr. TABER], who has studied this question for years, if he desires any time.

Mr. TABER. Mr. Speaker, if the gentleman wants to yield I would suggest that he yield to some of those Members who care to say something against the resolution. I would be willing to take a little time later, but at the present time, I think those who are opposed should be heard.

Mr. BLANTON. If somebody here is opposed to the motion I am going to yield to him.

Mr. TABER. If there is going to be opposition, I think those opposed should be heard.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Is the gentleman in favor of having the people of this country pay \$5,700,000 annually toward the local taxes of Washington people?

Mr. GIFFORD. That is not a fair question. I am opposed to the form of the motion, and I want to ask a question about what form the conference report will take.

Mr. BLANTON. There are just three matters on which the House insists.

Mr. GIFFORD. I understand that.

Mr. BLANTON. Whether the conferees are to be instructed to stand by the House bill on the \$5,700,000 lump sum, on the \$78,660 so-called character education, and on the restriction on certain officials and employees of the District taking outside employment.

Mr. GIFFORD. I understand that; the gentleman has been talking for years about the Washington situation and I have always backed him up, but I want to ask the gentleman a question, if I may.

Mr. BLANTON. Certainly.

Mr. GIFFORD. Did I understand the gentleman to say the House conferees agreed to recede on 84 points if the Senate would recede on 3?

Mr. BLANTON. In the final hopes of getting a bill; yes.

Mr. GIFFORD. That appeals to us as a sort of horse trading on matters that ought to be settled on their merits; and we feel, I am sure the gentleman will realize, that by reason of certain reports in the newspapers, that perhaps the gentleman may be a little stubborn by this time and that he would rather make a horse trade than to settle the matters on their merits.

Mr. BLANTON. That is so far from the fact that it is absolutely absurd.

Mr. GIFFORD. The gentleman cannot blame us for having a little feeling that the gentleman might feel a little hurt because of this newspaper criticism.

Mr. BLANTON. Oh, the newspapers do not bother me at all. They are wasting \$5,000 to have a man try to beat me in Texas, but my dependable constituents are not going to let them beat me.

Mr. GIFFORD. Another question: Does the gentleman feel it is a fair way to settle things to make a horse trade giving way on 84 points?

Mr. BLANTON. The gentleman is trying to shoot a stiletto under my belt when he should be trying to help me. I thought the gentleman from Massachusetts was one of the best horse traders we had.

Mr. MICHENER. Mr. Speaker, will the gentleman yield me 5 minutes?

Mr. BLANTON. Yes; in just a minute. Let me finish this statement and then I will. I will save 5 minutes for the gentleman from Michigan.

Mr. Speaker, continuing the benefits the people of Washington receive, Mr. Hazen admitted in this document, in every hearing for 3 years, that the people of Washington, except the Federal tax everybody pays, do not pay any

estate tax, do not pay any inheritance tax, do not pay any gift tax, do not pay any income tax, do not pay any sales tax as they do over here in Maryland just a few miles away and as they do in many of the Western States; not a dollar of those extra taxes do they pay. They are not bonded, because the United States paid them out of debt and kept them out of debt. They do not pay any jail-bond tax, they do not pay any courthouse-bond tax, they do not pay any bridge tax, they do not pay any special water tax, they do not pay any special school tax. The have their ashes gathered free, they have all their trash gathered free, they have their garbage gathered free. The trees in front of their residences, shade and ornamental, are furnished without charge.

They are planted without charge. They have fences built around them to protect their early growth without charge. They are cared for without charge. They are pruned without charge. They are sprayed without charge. They are replaced without charge.

Mr. Speaker, these are some of the benefits that the people of Washington receive because the Congress has been voting these large contributions each year from the people of the rest of the United States. If the House wants to keep on doing that, I am their servant and would be compelled to obey the orders of the House, but I hope the House will not order it done.

Mr. MAY. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. MAY. I want to get this perfectly clear, for the benefit of myself and some others who may not understand the situation. Under the existing system I understand the gentleman to say that in the city of Washington if property is of a fair and reasonable value of a million dollars and the tax rate is \$1.50, the assessed value of the property is reduced to \$500,000, which would make a tax rate equal to 75 cents on the hundred?

Mr. BLANTON. Yes; they have been doing that all the time.

Mr. Speaker, I want to call attention to one more thing, where the Senate tried to make us come over to their way of thinking. They got an absurd statement from a fellow named Parker that Washington was the third highest taxed city in the United States.

The President sent us a report last year which gave the tax rate in 15 comparable cities of the United States. In that report it was stated that Washington was the lowest taxed city of any which had been investigated. This man Parker gave a statement to the Senate which was ridiculous on its face, in which he stated that Washington was the third highest taxed city in the country.

In our conference with the Senate they wanted us to hear of Parker and Richards. We said, "All right. Get a stenographer and we will hear them in joint session." They said, "No; we do not want a stenographer." We said, "Well, we will not hear them without a stenographer. We want to know what they have said when their testimony gets cold." The Senate conferees would not agree to that, so we told them they could hold the hearing by themselves. After we left they immediately got a stenographer to take down what was said, but they did not prove by these gentlemen what we proved by them.

We sent for Parker and found out that this man Parker was drawing \$9,600 a year from a joint committee of Congress, yet last October sold himself to the board of trade here in Washington, and they paid him \$5,500 in cash for his statement.

Now, there is one thing funny about Richards.

Mr. SHANNON. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The Chair will count.

Mr. SHANNON. Mr. Speaker, I withdraw the point of order.

Mr. KNUTSON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KNUTSON. Was a quorum present?

The SPEAKER. The gentleman does not state a parliamentary inquiry.

Mr. BLANTON. Mr. Speaker, referring to Mr. Richards, may I say that he had reached the age for retirement. He had been paying into the retirement fund for 27 years and could have retired with a big retired pay for life, but he could not do that and at the same time accept employment from the board of trade; so in order to be able to accept employment from the board of trade when he left office, instead of retiring on a salary for life he resigned and had the Civil Service Commission pay him back all that he had paid into the retirement fund. He then got on the board of trade's pay roll and became the exemplar of the high-taxed District. The Senate did not discover that.

It will be noted all through the hearings Chairman CANNON made him admit that every time we wanted to take a piece of property here we had to pay sometimes 10 times its assessed value before we could get it. When the new House Office Building and the Supreme Court Building were constructed, just note what we had to pay for the property under the testimony of the tax experts of Washington. We had to pay, in instances, as high as 10 times what the property had been assessed at.

Mr. Speaker, I now yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, the gentleman from Texas brings this matter before the Members of the House in a very unusual way. I am happy to say that at times the gentleman from Texas makes constructive and lucid suggestions with reference to legislation for the District of Columbia, and I am always glad to follow him when he does make intelligent and constructive suggestions. However, he brings before us today a conference report under a method which has never been followed by the Congress—since I have been here at least. The Speaker, I think, will permit a division of the question when a vote is reached, but the Members cannot vote "yes" or "no" on any one of the propositions without approving, sanctioning, and saying "yes" to the conclusions and the stump speech which the gentleman has woven into every provision of the resolution.

Under the custom which has grown up in the Congress, if it is desired to explain the reasons for proposed legislation, a preamble is used, with the word "whereas." Then when a vote is reached on the legislation the vote is upon the substantive matter only, and the "whereas" and the explanatory matter is eliminated. In the pending resolution it is impossible to cut out the "whereases" and the gentleman's arguments and conclusions. While I might agree in many particulars with some of the gentleman's proposed instructions to conferees, I am not going to vote to approve of the quarrel which the gentleman from Texas has with the Washington newspapers or with the Washington people in any particular, because he has interwoven these stump speeches in a piece of constructive legislation.

Mr. Speaker, a point of order will be made that the resolution as presented is not in accordance with the rules of the House. I hope that the Speaker will hold that a Member cannot intelligently vote for a given specific thing by voting for this resolution.

If this is done, then the gentleman from Texas, who is a good parliamentarian and knows better, can retire, and inside of 10 minutes dictate just what he wants us to vote on. The astute, the discerning majority leader, the gentleman from Alabama [Mr. BANKHEAD], rose on the floor and asked the gentleman from Texas what this resolution meant. He asked the gentleman if he would try to explain it so that he, our majority leader, might know what he was asked to vote upon.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Not now.

The real trouble is that the gentleman from Texas takes page after page of the RECORD, day after day and hour after hour of the time of the Congress fighting windmills and fighting the Washington newspapers and Eugene Meyer. Why, great Caesar, we have heard this time after time and day after day. His personal quarrel has nothing to do with what is before us. I think the time has arrived when the Speaker—and I hope he will do so—should exercise that fair

judgment that he always exercises and give those of us who want to vote for constructive things an opportunity to know what we are voting for, because if he does not, we are compelled to vote against this proposition, or we must put our stamp of approval upon the gentleman's modus operandi here, upon his tactics, and upon his conclusions so far as his various difficulties with the various agencies in the District of Columbia are concerned. The purpose of this proceeding is to instruct our conferees as to the position of the House on certain differences between the House and the Senate.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, to meet the gentleman's objection, I have had a motion drawn eliminating all the facts and conclusions and including simply the instructions, and I think this will meet the objection of the gentleman from Michigan, and I ask unanimous consent to present this in lieu of the other motion.

Mr. MICHENER. Mr. Speaker, reserving the right to object, that is just the point I am making. This shows clearly that the gentleman from Texas knows better, but he attempts to put in the RECORD a stump speech which should not be here, and when somebody has the courage and the bravery to stand up and question the tactics of the gentleman, then he graciously concedes that he is wrong. [Applause.]

Mr. BLANTON. Mr. Speaker, I do not concede I am wrong at all. Every fact stated in my motion, as a basis for the House thus to instruct its conferees, was admitted in the printed hearings by Commissioner Hazen in his testimony, and Commissioner Hazen further said that "the people of Washington had greater privileges and were the least taxed and the best cared for of any people in the United States"; but to meet the gentleman's objection I ask that the following motion, without the time to read it being taken out of my time, be substituted for the other motion.

Mr. Sisson and Mr. MAVERICK objected.

Mr. BLANTON. Mr. Speaker, I withdraw the first motion.

The SPEAKER. The gentleman from Texas, under the rules of the House, has the authority to withdraw his first motion.

Mr. BLANTON. And I offer another motion of the highest privilege in the place of the one that has been read.

Mr. MAVERICK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Texas offers a motion which the Clerk will report.

Mr. MAVERICK. Mr. Speaker, does this mean that a person can put in a motion which is obviously a long stump speech and then can withdraw it at will? I want to know so I can do that in the future, also. Is that proper procedure?

The SPEAKER. The Chair is not passing upon what is proper procedure. The Chair is simply stating what the rules and precedents of the House permit a Member to do.

Mr. MAVERICK. I want to know, so that I can do the same thing.

Mr. BOILEAU. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOILEAU. Mr. Speaker, may I ask whether or not if such procedure is followed, the gentleman from Texas will be entitled to an additional hour, because this is a different resolution?

The SPEAKER. The Chair does not think so.

Mr. BLANTON. I do not want an additional hour, but merely the remaining time still due me.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

Mr. BLANTON. Mr. Speaker, I do not yield for a parliamentary inquiry, unless the gentleman from New York wants to make it on this one matter.

Mr. SNELL. It is on the matter before the House.

Mr. BLANTON. With the understanding it will not be taken out of my remaining time, I yield to the minority leader.

Mr. SNELL. Mr. Speaker, I think it is important to have a ruling on this proposition. I made the point of order earlier that the argumentative part of the original propo-

sition was not in order and I think for the future precedents of the House we should have a ruling on that question.

The SPEAKER. The gentleman made his point of order before the reading of the motion had been concluded, as the gentleman will recall.

Mr. SNELL. Yes.

The SPEAKER. And the Chair stated at the time that the Chair felt the motion should be read in full, which was then done. So far as the main question is concerned, of course, the point of order made by the gentleman from Michigan comes entirely too late, because debate has been practically concluded.

The gentleman from New York did not renew his point of order at the conclusion of the reading of the resolution.

The rule to which the Chair has referred provides only for a motion, but the Chair does not believe that any presiding officer ought to put himself in the position of dictating to a Member just how his motion should be made. If the Chair should hold that the motion carries argument, then it would be up to the Chair to delete from the motion such portions as occurred to the Chair to be argumentative, and if that were the practice the Chair at some time might delete portions of the motion in exercising that privilege.

The Chair thinks this is a matter for the House to decide, and the Chair is unwilling, out of a spirit of fairness, to undertake to dictate to the Members just how they shall draw their motions. [Applause.]

The Clerk will report the motion.

The Clerk read as follows:

MOTION OF HIGHEST PRIVILEGE

Mr. BLANTON, under clause 1½a of rule XXVIII, section 910, of the rules of the House of Representatives, offers the following motion to instruct House conferees, being a motion of the highest privilege, to wit:

Moved that managers on the part of the House, who, at the request of the Senate, were appointed by the Speaker on April 24, 1936, for a conference with the managers on the part of the Senate, who were appointed by the Senate on April 23, 1936, respecting the disagreeing votes of the two Houses relative to 87 amendments placed by the Senate on the House bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, have been in conference more than 20 days without avall, said House conferees having been appointed for more than 20 calendar days, and have made no report to the House, that they, the said managers on the part of the House be, and they are hereby, instructed as follows:

First. The House instructs its managers to insist on the disagreement of the House to Senate amendment no. 1, which proposes to appropriate \$5,700,000 out of the United States Treasury as a Federal contribution on the local civic expenses of the District of Columbia, and to insist on the House provision respecting same.

Second. The House instructs its managers to insist on the disagreement of the House to Senate amendments nos. 37, 38, and 39, appropriating \$78,660 for so-called character education, and to insist on the refusal of the House to appropriate any money for so-called character education.

Third. The House instructs its managers to insist on the disagreement of the House to Senate amendment no. 83, which struck from the House bill "Sec. 6", which Senate amendment 83 would permit high-salaried judges, high-salaried prosecuting attorneys, high-salaried doctors, and other high-salaried officers and employees to accept outside employment from others.

Mr. SNELL. Mr. Speaker, I ask for a division of the question.

The SPEAKER. The Chair will pass upon that later.

Mr. BLANTON. Mr. Speaker, my time has not expired and I want to say in conclusion—

Mr. SNELL. Are we going to debate this all over again?

The SPEAKER. The gentleman from Texas has 12 minutes remaining under the rule.

Mr. BOILEAU. Mr. Speaker, I make the point of order that the gentleman has presented a different resolution to the House and the Speaker has ruled he is not entitled to time on the second resolution.

The SPEAKER. The gentleman from Texas has 12 minutes remaining out of the hour allowed him under the rule.

Mr. BLANTON. Mr. Speaker, I have done my honest, conscientious duty in presenting this motion to the House. As chairman of the House conferees, I am the servant of the House. It is immaterial to me personally what the House does about it. I am ready to obey the instructions of

the House on these matters, and under your instructions to carry them out. If you tell the House conferees what you want done, I will stand against the Senate until something terribly hot freezes over, before I give in to them. But it all depends on what the House wants done, and how you instruct your conferees.

If you gentlemen who have been throwing obstacles in my way want the people of Washington to keep up this peculiar situation, unjust to the people of the States, where they pay very little local civic taxes in Washington, D. C., and our people back home in the States have to contribute \$5,700,000 in cash every year out of the United States Treasury to pay part of the taxes due by Washington citizens, and you can persuade this House by a majority vote to instruct the House conferees to agree to appropriate the \$5,700,000, we conferees will be forced to carry out your instructions. But I do not believe you will ever get this House to thus instruct us.

The Washington Star said, on April 26, 1936, that the Washington Board of Trade records show that during the last 5 years visitors to Washington had spent \$221,547,992 here in cash. Visitors from the States contributed that amount to the people of Washington during the last 5 years. You know what that means to Washington—\$221,547,992 spent here in 5 years by visitors from our States.

They visited Washington because it is the Nation's Capital. They visited Washington because of the Government buildings here. They visited Washington because of the attractive institutions the Government has constructed here.

Now, if a majority of you gentlemen want to continue this, it is all right—giving away of the people's money out of the United States Treasury to the pampered people of Washington—we conferees will have to obey your instructions, but I will never vote for it, and I am now throwing the responsibility upon your shoulders.

I have done all that any one man could do to stop this injustice. The splendid members of my subcommittee have done all they could do, and they have done wonderful work to protect the already overburdened taxpayers living in the 48 States of this Nation.

There is no one who, truthfully, can say that I have not been fair and just to the people of Washington. There is no one who will say that I have not worked hard and have not spent much of my time to adjust these inequities.

I am one Member of Congress who in 20 years has represented three big districts—71 big counties in Texas—some of which like Presidio and Brewster are 200 miles across the county. I represent only 12 counties now. But some of these good people living in my two former districts still call on me for different things they want done, as I am their friend.

I have to do this in addition to my official duties for my own district, and I work about 16 hours per day in order to attend to all such calls.

If some of my friends, very liberal-thinking friends, do not like what I did toward eliminating communism from the public schools when we passed the "red rider", and they want to take a stand against me, on these propositions, then well and good. It is their responsibility. It is not mine. I will meet them on that issue of repealing the "red rider" whenever they get it up before the House.

Mr. Speaker, these are three clear-cut issues for the House to decide. It must decide first whether it will let the Senate force it to make the people of the States contribute \$5,700,000 each year to pay local civic expenses of Washington people. Then the House must decide whether it is going to waste another \$78,660 on so-called character education for Superintendent Ballou to pervert in communizing the public schools of Washington. And, last, the House must decide whether it is going to allow high-salaried judges, and high-salaried prosecuting attorneys, and high-salaried doctors to neglect their duties by accepting outside employment in local colleges. Those are the three issues.

I have performed my duty. The able members of my subcommittee have performed their duty. The responsibility now rests upon the shoulders of the House. We man-

agers on the part of the House, who are servants of the House, stand ready to obey the orders of the House.

Mr. Speaker, I am grateful to my colleagues for granting me permission to quote the testimony of Commissioner Hazen and of Mr. Parker from our hearings.

From our printed hearings on the 1935 bill I quote the following:

Commissioner HAZEN. The Commissioners would like to call attention to the fact that in the fiscal year 1934 the tax rate of \$1.70, which has been in effect during the fiscal years between 1928 and 1933, inclusive, has been reduced to \$1.50. This reduction represents a saving to taxpayers in the fiscal year 1934 of \$2,445,000.

Moreover, in the fiscal year 1934 the assessed valuation of real estate has been reduced by \$80,000,000—a saving to property owners of \$1,200,000. The District budget for the fiscal year 1935 is based upon continuing the \$1.50 tax rate in that fiscal year.

It is also contemplated that a further reduction in the assessed valuation of real estate of approximately \$50,000,000 will be made in 1935.

The Commissioners also invite attention to the recommendation under the chapter for the water service for a 25-percent reduction in water rates for 1935, and an increase in the metered allowance now 7,500 cubic feet to 10,000 cubic feet. This means a saving to water users of about \$600,000. In the fiscal year 1934 Congress allowed a discount of 10 percent of the amount of any bill for water charges paid within 15 days after the date of the rendition thereof. It is estimated that this will mean a saving of about \$100,000 to water users.

From our printed hearings of the 1936 bill, I quote the following:

Mr. BLANTON. By a reduction in the assessed valuations of real estate to the extent of \$80,000,000, you meant that you distributed that over the general assessments?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Then you further state:

"It is also contemplated that a further reduction in the assessed value of real estate of approximately \$50,000,000 will be made in 1935."

Did you make that further reduction?

Commissioner HAZEN. There was further reduction.

Mr. BLANTON. And you did make another reduction, approximately \$50,000,000, in assessed values, as noted by the assessor, Mr. Richards, of 10 percent in the assessed valuations?

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. And that was general all over the District?

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. So that property owners generally got the benefit of that additional \$50,000,000 reduction?

Commissioner HAZEN. That is quite right.

Mr. BLANTON. Then this year and last year you have given the property owners in the District a reduction in the assessed values of real estate of \$130,000,000, or 15 percent, have you not?

Commissioner HAZEN. Approximately; yes, sir.

Mr. BLANTON. Then you also say:

"The Commissioners also invite attention to the recommendation under the chapter for the water service for a 25-percent reduction in water rates for 1935 and an increase in the metered allowance, now 7,500 cubic feet, to 10,000 cubic feet. This means a saving to water users of about \$600,000."

That was provided?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. So that the property owners of the District got a saving of \$600,000 through a decrease in water charges?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. In addition to that \$600,000 decrease in water charges, they also got the benefit of the increased metered allowance of 2,500 cubic feet of water?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Without extra charge?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. So that they got a double benefit in the matter of the water charges?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Then you further say:

"In the fiscal year 1934 Congress allowed a discount of 10 percent of the amount of any bill for water charges paid within 15 days after the date of the rendition thereof. It is estimated that this will mean a saving of about \$100,000 to water users."

That was a saving of \$100,000 additional, approximately?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. To water users here in Washington?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. It is a fact, Mr. Commissioner, that the tax rate this year, the fiscal year 1935, is only \$1.50 per 100 on real estate and only \$1.50 per 100 on personal property, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. There is no contemplation in the minds of the Commissioners to increase that tax for next year, 1936? You do not contemplate increasing it?

Commissioner HAZEN. We do not contemplate increasing it.

Mr. BLANTON. With that \$1.50 tax rate, you stated in your preliminary general statement, that you carried over from the last fiscal year to the present fiscal year a surplus of \$4,600,000?

Commissioner HAZEN. That is right.

Mr. BLANTON. And you say that you will inherit next July 1 a surplus of—

Commissioner HAZEN. \$2,450,000.

Mr. BLANTON. You have also, for this coming fiscal year, a trust fund, as you said in your general statement, of \$1,430,000?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. That is a fund to which you have access, which you get out of the Treasury, regardless of what Congress does in this bill, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. You have no income tax for the District of Columbia?

Commissioner HAZEN. That is true.

Mr. BLANTON. * * * The tax on intangibles in the District is now what, Mr. Donovan?

Mr. DONOVAN. \$5 per thousand.

Mr. BLANTON. That is one-half of 1 percent, is it not?

Mr. DONOVAN. That is right.

Mr. BLANTON. In the District of Columbia there is a gasoline tax of 2 cents a gallon?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. In the District of Columbia there is a license-tag tax that people pay in order to get their license plates each year. That amounts to only \$1 per car.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. That would be \$1 per car for an \$8,000 Rolls-Royce limousine as well as a dollar per car for a Ford or a Chevrolet?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. In the District of Columbia the average water tax per family is now approximately what?

Mr. DONOVAN. It is about \$8.75.

Mr. BLANTON. Was not that the tax before Congress reduced it?

Mr. DONOVAN. It was that before Congress reduced it.

Mr. BLANTON. But Congress reduced it?

Mr. DONOVAN. You mean the 25-percent reduction?

Mr. BLANTON. Yes.

Mr. BLANTON. In the District of Columbia a man who built a house 25 years ago, and then paid for having his house connected with the sewer system of the District, has not in the last 25 years had to pay a single additional monthly service charge for sewers, has he?

Commissioner HAZEN. No.

Mr. BLANTON. And he will not have to pay any in the future, will he?

Commissioner HAZEN. No, sir.

Mr. BLANTON. Mr. Commissioner, you have been a public servant for a long time, and you are intimately acquainted with every detail of Washington business and history. On the whole, can you cite the people of any city of the United States who have better privileges, who are better cared for, than those in the city of Washington?

Commissioner HAZEN. I think that it is the greatest city in the United States.

Mr. BLANTON. And Washington people are better cared for, are least taxed, and have greater privileges than any other people in the United States?

Commissioner HAZEN. I believe they do.

From our printed hearings on the 1937 bill, I quote the following:

Mr. BLANTON. You are acquainted with the four Mapes bills?

Commissioner HAZEN. Yes, sir; somewhat.

Mr. BLANTON. One of those bills has for its purpose to increase the gasoline tax from 2 to 4 cents, to make it comparable with the gasoline tax in other cities.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Has that bill the approval of the Commissioners?

Commissioner HAZEN. The answer is that we have a surplus, and we did not feel we could justifiably increase taxes as long as we had a surplus.

Mr. BLANTON. And it is because you have a large surplus—\$3,059,748.70—that you are against that increase-of-gasoline-tax bill?

Commissioner HAZEN. We have to consider the surplus.

Mr. BLANTON. What surplus do you expect to have in the general fund on July 1?

Commissioner HAZEN. \$1,992,748.70.

Mr. DONOVAN. That is only in the general fund.

Mr. BLANTON. That is in the general fund. Now, what about the water fund?

Commissioner HAZEN. In the water fund we will have \$504,000.

Mr. BLANTON. And in your gasoline-tax fund?

Commissioner HAZEN. \$563,000.

Mr. BLANTON. So that aggregates a surplus of \$3,059,748.70 on July 1.

GASOLINE TAX IN VARIOUS STATES

Mr. BLANTON. Mr. Commissioner, I call attention to the gasoline tax that is now effective in the cities of various States:

Alabama, 6 cents; Arizona, 5 cents; Arkansas, 6 cents; Colorado, 4 cents; Florida, 7 cents; Georgia, 6 cents; Idaho, 5 cents; Indiana, 4 cents; Kentucky, 5 cents; Louisiana, 5 cents; Maine, 4 cents; Maryland, 4 cents; Nebraska, 4 cents; Nevada, 4 cents; New Hampshire, 4 cents; New Mexico, 5 cents; North Carolina, 6 cents; Ohio, 4 cents; Oklahoma, 4 cents; Oregon, 4 cents; Pennsylvania, 3 cents; South Carolina, 6 cents; Tennessee, 7 cents; Texas, 4 cents; Utah, 4 cents; Vermont, 4 cents; Virginia, 5 cents; Washington (State), 5 cents; West Virginia, 4 cents; Wisconsin, 4 cents; and Wyoming, 4 cents.

But in the District of Columbia the tax is 2 cents per gallon. So that right over here across the river bridge, when you get into Virginia, the State gasoline tax is 3 cents more than it is in Washington, D. C.

Commissioner HAZEN. I think it is 5 cents in Virginia and 4 cents in Maryland.

Mr. BLANTON. But Maryland has an additional sales tax. I say it is 3 cents more in Virginia, just across the bridge, than it is in Washington.

Commissioner HAZEN. In Virginia?

Mr. BLANTON. Yes; than it is in Washington?

Commissioner HAZEN. That is right.

Mr. BLANTON. And if you go out here to Chevy Chase across the line into Maryland, the tax there is double what it is in Washington, 4 cents as compared to 2 cents, plus their sales tax.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. And the cities in all of the States outside of Washington, D. C., instead of paying a license-tag tax of a dollar pay many times that; you realize that?

Commissioner HAZEN. Yes.

Mr. BLANTON. In other words, in some States they pay \$10 and \$12 on a Ford or Chevrolet, while in Washington you pay only a dollar even on a \$10,000 Rolls-Royce.

The Mapes bill proposes to increase that charge, does it not?

Mr. DONOVAN. The Mapes bill calls for a weight tax.

Commissioner HAZEN. Another very good idea that we have down there is that we make them pay the police fines and penalties.

Mr. BLANTON. Yes; that is a good idea. But you do recognize that if you needed it, you have a great potential source of revenue in an increase of your gasoline tax comparable to that in other cities, and also in the increase of your license-tag tax; do you not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. But you do not care to pursue that, because you have a \$3,000,000 surplus.

MAPES BILLS NOT FAVORED BY COMMISSIONERS AT PRESENT TIME

Mr. BLANTON. Those four Mapes bills all passed the House several years ago by a unanimous vote—all four of them. Mr. MAPES is an exceptionally fine Member of Congress; able, sincere, and honest. His committee went into this subject carefully and prepared those bills after having months of hearings and giving close consideration of the subject. The four bills passed the House without a vote against them.

They have been held up by the Senate.

Would you mind telling us whether or not you favor the other Mapes bills?

Commissioner HAZEN. We do not at the present time, Mr. Chairman.

Mr. BLANTON. One of those bills I would like to know your reaction on, as to why you are not willing to require these big trucks, engaged in interstate freight traffic, that use up and wear out the streets and highways of the city of Washington, to pay a much larger charge as provided for in the Mapes bill.

Mr. HAZEN. I think it would be a very fair thing to do.

Mr. BLANTON. Have your Commissioners suggested the passage of such legislation as that?

Mr. HAZEN. No, sir.

Mr. BLANTON. Do you realize that until you do have legislation passed like that, that these big trucks, some larger than a railroad freight car, that crowd people off of the street, are continually using your hundreds of miles of highways in the District of Columbia, practically with no charge at all on them?

Mr. HAZEN. That is right, except for the gasoline that they use, of course.

Mr. DITTER. Insofar as the license privilege is concerned, the operator of a truck or bus, irrespective of its weight and its potential damage to your streets, pays just the same as a pleasure car? Is that correct?

Mr. HAZEN. Do you mean public-utility busses?

Mr. DITTER. I am talking of any busses or trucks to which licenses are issued in the District of Columbia, that they pay the same amount as a Chevrolet or Ford coupe, the weight of which would not be comparable nor the potential damage to your streets be as great.

Mr. HAZEN. They pay the same, except the utility busses.

Mr. DITTER. And the utility bus has to take out a certificate of public convenience, that is issued to it as a public utility, but,

insofar as an automobile license operation privilege is concerned, they pay exactly the same?

Mr. RICHARDS. They pay the same, plus the tax on personal property; that is all.

Mr. BLANTON. They all pay that.

Mr. DITTER. They all pay the same. Do not let us quibble about it. They pay exactly the same as the Chevrolet or Ford pleasure car on the road.

Mr. HAZEN. I have no brief for the busses.

Mr. DITTER. We are not condemning them either, but we want to know something now.

Why is it that the Commissioners have refused to recommend the enactment of legislation by which trucks or busses would be required to pay a licensed operation cost comparable to those charged by other municipalities and States?

Mr. HAZEN. I rather think that we should have the whole thing, passenger cars as well as busses, covered by the same legislation.

Mr. DITTER. Have you made any recommendation with respect to the enactment of such legislation?

Mr. HAZEN. No; not to this Congress.

Mr. DITTER. Do the Commissioners contemplate a further consideration of the matter that was raised by Mr. BLANTON last year on the subject of taxation?

Mr. HAZEN. Mr. DITTER, the Commissioners felt that, as long as they had this surplus—

Mr. DITTER (interposing). Will you not first answer that "yes" or "no"?

Mr. HAZEN. I would rather consult the Commissioners a little bit on that problem.

Mr. DITTER. Did I understand that you were adverse to the first Mapes bill, to which the chairman directed your attention?

Mr. HAZEN. The gas bill?

Mr. DITTER. Yes.

Mr. HAZEN. I am at the present time.

Mr. DITTER. Do you speak for the Commissioners' Board as a whole, or individually?

Mr. HAZEN. I think I speak for the Commissioners.

Mr. DITTER. And your objection to it is based entirely on the fact that you have a surplus of approximately \$3,000,000?

Mr. HAZEN. Oh, no; \$500,000.

Mr. DITTER. \$3,000,000 as a whole, including \$500,000 in the gas fund—is that right?

Mr. HAZEN. That is right.

Mr. DITTER. Then, in contemplation of the elimination of that relief or emergency fund, are you not prepared to say that the Mapes bill has merit and that it should be recommended for enactment?

Mr. HAZEN. Undoubtedly it has merit, and as soon as we need the money for these things I would be very strongly in favor of it—have been all along.

Mr. DITTER. That is helpful, Mr. Chairman.

Mr. BLANTON. But it is easier to get it out of the Federal Treasury than through taxation.

Mr. Speaker, I now quote from the printed hearings:

STATEMENT OF LOVELL H. PARKER

Mr. BLANTON. Gentlemen, we have before us this morning Mr. L. H. Parker.

Mr. PARKER, when were you employed by the board of trade as their statistician?

Mr. PARKER. As I recall it, it was about September—it was October before we made our final arrangement.

Mr. BLANTON. Do you mean October 1935?

Mr. PARKER. 1935; yes.

Mr. BLANTON. Your report was addressed to Mr. Edward F. Colladay?

Mr. PARKER. That is right.

Mr. BLANTON. As "chairman, advisory committee, municipal finance committee, board of trade, Washington, D. C."?

Mr. PARKER. That is right.

Mr. BLANTON. You were working for them when you made this report?

Mr. PARKER. Certainly.

Mr. BLANTON. And as their employee you rendered them this report?

Mr. PARKER. That is correct.

Mr. BLANTON. What are they to pay you for this tax survey?

Mr. PARKER. That is \$5,500.

Mr. BLANTON. Then the board of trade pays you \$5,500?

Mr. PARKER. Yes. That is the final amount agreed on.

Mr. BLANTON. When did you get that position with the Joint Committee on Internal Revenue Taxation?

Mr. PARKER. I was appointed to that position in 1926.

Mr. BLANTON. What was your salary when you were first appointed to that position?

Mr. PARKER. \$600 a month.

Mr. BLANTON. And you have held that position continuously since 1926?

Mr. PARKER. That is correct.

Mr. BLANTON. What annual salary do you get now?

Mr. PARKER. \$800 per month.

Mr. BLANTON. When was your salary increased to \$800 per month?

Mr. PARKER. It was increased once in 1929, as I recall it, to \$700, and then it was increased in 1935 to \$800.

Mr. BLANTON. Which is approximately the equal of the salary of a Congressman or a Senator.

Mr. PARKER. Pretty nearly.

Mr. BLANTON. Well, we get \$833, and spend half of it for incidental expenses, and you get \$800; is that right?

Mr. PARKER. That is correct.

Mr. BLANTON. The committee may call on you at any time it wants to, from January to December?

Mr. PARKER. That is correct.

Mr. BLANTON. And you are at all times under orders of the committee?

Mr. PARKER. Yes, sir.

Mr. BLANTON. Did you have authority from Mr. ROBERT DOUGHTON, who is the vice chairman of the Joint Committee on Internal Revenue Taxation, to accept employment from the board of trade and to receive \$5,500 for it?

Mr. PARKER. No, Mr. BLANTON, because Mr. HARRISON was chairman.

Mr. BLANTON. Please just answer my questions, Mr. Parker.

Mr. PARKER. I understood you to say that—

Mr. BLANTON. Yes or no; did you have authority from Mr. DOUGHTON to accept that employment?

Mr. PARKER. No.

Mr. BLANTON. Did you ever tell BOB DOUGHTON that you were going to take that employment, before you took it?

Mr. PARKER. No, Mr. BLANTON.

Mr. BLANTON. Did you know that there are hundreds of pieces of property here in Washington that are occupied by people which, in 1934, before there was any arbitrary reduction in assessed values made, were rendered for or had an assessed valuation much less than one-half of what they cost and what they were worth? Did you know that?

Mr. PARKER. I knew that a great many were below what they cost, but as to what they were worth, I did not think there were any as low as that; no, Mr. BLANTON.

Mr. BLANTON. For instance, here is a list of the lots covered by the New House Office Building, on which the New House Office Building was erected. Here are the figures on assessments and values given us by Tax Assessor Richards on those lots that we had to buy over there.

Here is part of lot 15, known as lot 809 in square 636; all of these are in square 636. That was assessed at \$1,479, and local Washington citizens testified that it was worth \$2,795.10, and we paid that.

Here is lot 806, assessed at \$2,345, and parties here testified that it was worth \$4,422.90. And that is what we had to pay for it.

Mr. PARKER. This was in connection with condemnation proceedings?

Mr. BLANTON. It was either condemnation or agreement, but was what the Government had to pay for it. We had to pay these amounts.

Here is lot no. 20, which was assessed at \$1,256, and Washington experts testified that it was worth \$10,100. That was nearly nine times what it was assessed at. We had to pay that for it.

Here are lots 1, 2, and 19, which were assessed at \$13,792. Parties here testified that it was worth \$34,537.50, and that is what the Government had to pay for it.

Here are lots 3, 6, 16, 17, and 18, which were assessed at \$24,193, and Washington experts testified that it was worth \$51,303.47. And that is what the Government paid for it.

Here are lots 9, 10, and 11, which were assessed at \$12,249, and Washington experts testified they were worth \$24,577.30. That is what the Government had to pay for it.

Here is lot 15, known as lot 808, assessed at \$1,759, and Washington experts testified that it was worth \$3,488.60. That is what the Government had to pay for it.

Here is lot 14, known as lot 807. That was assessed at \$2,534. Washington experts testified it was worth \$5,076.20. That is what we had to pay for it.

Here is lot 5, known as lot 800, assessed at \$2,845. Washington experts testified that it was worth \$5,692.60. That is what the Government had to pay for it.

Here is lot 5, known as lot 801, which was assessed at \$1,026. Washington experts testified that it was worth \$2,250. That is what the Government paid for it.

That gives you an idea of the low assessments here.

Mr. PARKER. May I ask, Mr. BLANTON, if those were the tax experts for the people selling the property?

Mr. BLANTON. They were experts, Mr. Parker, for the people of Washington, just as you are the expert for the board of trade, representing them, and getting \$5,500 to speak for them.

Mr. PARKER. I am wondering if the Government hired experts to give their testimony on these same properties?

Mr. BLANTON. I don't value the opinion of such hired experts. I just give these figures to show how little value their testimony is worth when they come in here and say that they are overassessed. We members of this subcommittee know they are not and we have been studying this question here for many years.

Mr. PARKER. My report does not touch on that, if I may state that. My report merely deals with figures and facts on taxation. I have not said anything about real property taxes at all.

Mr. BLANTON. Did you know that since those low assessments in 1933, and since that data has been shown to us, the Commissioners, during the last 2 years, have arbitrarily further lowered the assessed value of real estate in Washington \$130,000,000? Did you know that?

Mr. PARKER. I know there have been some decreases; yes.

Mr. BLANTON. When you were employed and had your salary raised to \$800 a month, or \$9,600 a year, did Mr. HARRISON, who is the

chairman of this joint committee, or Mr. DOUGHTON, who is the vice chairman, authorize you to accept outside employment?

Mr. PARKER. Nothing was said about it.

Mr. BLANTON. You talk about other taxes than real-estate taxes. Did you know that the people in your State of Massachusetts, in West Virginia, in Missouri and Iowa and Texas and Pennsylvania and Oklahoma and New York and Virginia and New Hampshire and North Dakota, in addition to having to pay much more than \$1.50 per hundred city tax, which is the total tax that the people of Washington pay for everything, they all have to pay county taxes and State taxes, and in some instances school taxes, water taxes, courthouse, jail, and bridge-bond taxes. You knew that, did you not?

Mr. PARKER. Why, certainly.

Mr. BLANTON. You knew that in addition to the one tax of \$1.50 per \$100 on low assessed value that the Washington people pay for everything, people in other cities sometimes have to pay a special water tax for their water system. Did you know that?

Mr. PARKER. Yes.

Mr. BLANTON. Can you cite me to any city in the United States where the water charge is as low as \$6.60 per year per average family?

Mr. PARKER. I think the water charge here is very low.

Mr. BLANTON. Now, please listen to my questions. You are advertised in the newspapers as a \$9,600-a-year Government expert. You ought to be able to answer a question. You have sat around the hearing table a lot of times. Now, please answer my questions definitely and we will get along.

Can you cite me to any city in the United States where you know that the water charge is as low as \$6.60 per year per average family, which is the charge here in Washington?

Mr. PARKER. No; but I have not made an examination of it.

Mr. BLANTON. Can you cite me to any city in the United States where there is not a sewer-service charge?

Mr. PARKER. No; I cannot, but I could find out.

Mr. BLANTON. Mr. Parker, did you know that in the District to every family is given an exemption of \$1,000 on household goods?

Mr. PARKER. That is correct.

Mr. BLANTON. Name me another State that has that much of an exemption. In my State it is \$250 on household goods.

Mr. PARKER. I will have to search the records.

Mr. BLANTON. Do you know of another State that gives a \$1,000 exemption?

Mr. PARKER. I cannot recall whether it is more or just that much; I cannot recall.

Mr. BLANTON. Mr. Parker, did you know that in Washington, to every family, in addition to the exemption of \$1,000 on household furniture, there is exempt from taxation their library, whether it is worth \$5 or \$5,000,000? Did you know that?

Mr. PARKER. I think that is correct.

Mr. BLANTON. That is absolutely exempt from any tax whatever. Will you name me one single State, if you can, where that exemption prevails; where, in addition to the exemption on household furniture, whatever it may be, there is also an exemption from taxes on the family library, regardless of its value? Can you give me one other city like that?

Mr. PARKER. I do not think so. I think that is an unusual provision.

Mr. BLANTON. Let us pass on to another thing. Did you know that in the District of Columbia to every person is given an exemption from taxes on all of their wearing apparel, regardless of its value? That is, in addition to the library exemption, in addition to the \$1,000 exemption on household furniture, there is exempt to each person their wearing apparel, here in the District of Columbia, whether that wearing apparel is worth \$5 or \$5,000,000. Did you know that?

Mr. PARKER. Well, of course, it would be unusual to find \$5,000,000 worth of wearing apparel.

Mr. BLANTON. Now you are getting back into generalities again. I am asking you the question, Did you know that that is the situation?

Mr. PARKER. Yes; I knew that.

Mr. BLANTON. Can you give me the name of any city in the United States other than Washington where there is exempted the wearing apparel of the family?

Mr. PARKER. I do not know any offhand. I do not know what the specific provision of law is.

Mr. BLANTON. Let us get down to the intangible property tax. Did you know that in the District of Columbia there is no estate tax?

Mr. PARKER. Yes, Mr. BLANTON.

Mr. BLANTON. In the city of Washington there is no inheritance tax other than the Federal inheritance tax, is there?

Mr. PARKER. That is correct.

Mr. BLANTON. In the city of Washington there is no gift tax other than the Federal tax, is there?

Mr. PARKER. That is correct.

Mr. BLANTON. And that is applicable to all cities.

In the city of Washington there is no sales tax, such as they have over here in Baltimore and out in Iowa and in West Virginia.

Mr. PARKER. No; no general sales tax.

Mr. BLANTON. Mr. Parker, in Washington there is no sales tax such as they have in Baltimore, in West Virginia, in Iowa, and in other States, is there?

Mr. PARKER. That is correct.

Mr. JOHNSON. Do you know of any place where gasoline is sold where they charge less than 2 cents or even 2 cents a gallon as a tax? Do you know of any State in the Union where that is so?

Mr. BLANTON. Any other city in any State in the Union?

Mr. PARKER. Every State has a gasoline tax; no, I do not recall that.

Mr. JOHNSON. A tax expert ought to be able to answer the question without so much explanation. Do you know of any State in the Union—

Mr. PARKER. That has a lower rate?

Mr. JOHNSON. That pays as little as 2 cents a gallon gasoline tax?

Mr. PARKER. No; I do not.

Mr. BLANTON. Did you know that the President had that printed in a document called "Comparative Tax Burden in the District of Columbia and Other Cities"?

Mr. PARKER. I have seen it, but I think it is in a different form than that.

Mr. BLANTON. You knew he had it printed?

Mr. PARKER. Yes.

Mr. BLANTON. You knew he sent that down to Congress with a letter, did you not?

Mr. PARKER. Yes.

Mr. BLANTON. I quote from his letter the following:

"MY DEAR MR. CHAIRMAN: I am transmitting herewith a report prepared by the Treasury Department at my request on the tax paid by residents of the District of Columbia as compared with taxes paid by residents in other readily comparable cities.

"In general, the Treasury found that the actual money cost of government per capita to residents of the District of Columbia is below that in other cities; likewise the total tax paid by each of several different examples of property owners is lower in the District than in any other cities of between 300,000 and 825,000 population."

Mr. PARKER. That was in connection with the property tax.

Mr. BLANTON. The President sent us this data, and he gives us the tax levy per \$1,000 in each of the following cities:

"Jersey City, N. J., \$40.069 per \$1,000; Boston, Mass., \$37.10 per \$1,000, that is your own city, where you were born; Minneapolis, Minn., \$30.10 per \$1,000; Newark, N. J., \$29.20 per \$1,000; Seattle, Wash., \$28.13 per \$1,000; New Orleans, La., \$27.58 per \$1,000; Baltimore, Md., \$26.70 per \$1,000; Portland, Oreg., \$26.50 per \$1,000; Milwaukee, Wis., \$26.26 per \$1,000; Buffalo, N. Y., \$25.56 per \$1,000; Kansas City, Mo., \$25.23 per \$1,000; Louisville, Ky., \$24.48 per \$1,000; San Francisco, Calif., \$20.09 per \$1,000; Cincinnati, Ohio, \$18.22 per \$1,000; Washington, D. C., \$15 per \$1,000."

Mr. PARKER, when did you ever make a trip to Jersey City, N. J., to investigate that tax rate there?

Mr. PARKER. I never made such a trip to investigate the tax rate.

Mr. BLANTON. When did you ever make a trip to Boston, Mass., to investigate that tax rate there?

Mr. PARKER. I have not investigated any of those.

Mr. BLANTON. When did you ever make a trip to Minneapolis, Minn., to investigate the tax rate there?

Mr. PARKER. I never made a trip to any of those cities for that purpose.

Mr. BLANTON. When did you ever make a trip to Newark, N. J., to investigate the tax rate there?

Mr. PARKER. I never made such a trip.

Mr. BLANTON. When did you ever make a trip to Seattle, Wash., to investigate the tax rate there?

Mr. PARKER. I never made such a trip.

Mr. BLANTON. When did you ever make a trip to New Orleans, La., to investigate the tax rate there?

Mr. PARKER. Never; I have never investigated the tax rate there.

Mr. BLANTON. When did you ever make a trip to Baltimore, Md., to investigate the tax rate in Baltimore?

Mr. PARKER. I never made a trip there for that purpose; I lived there for a short time.

Mr. BLANTON. You never did make a trip there to investigate those tax rates?

Mr. PARKER. No; my reports distinctly do not say that. That would take a lot of time.

Mr. BLANTON. It would take more than \$5,500 worth of employment, would it not?

Mr. PARKER. Much more than that.

It is a very difficult thing to determine the true value and its relation to the assessed value.

Mr. BLANTON. When did you ever make a trip to Portland, Oreg., to make a tax investigation there?

Mr. PARKER. I have never made such a trip. I could make a statement on all of them together.

Mr. BLANTON. Did you ever make a trip to Milwaukee, Wis., to investigate the tax rate there?

Mr. PARKER. I never made such a trip.

Mr. BLANTON. Did you ever make a trip to Buffalo, N. Y., to investigate the tax rate there?

Mr. PARKER. I never made such a trip there.

Mr. BLANTON. Did you ever make a trip to Kansas City, Mo., to investigate the tax rate there?

Mr. PARKER. I never made such a trip.

Mr. BLANTON. Did you ever make such a trip to Louisville, Ky., to investigate the tax rate there?

Mr. PARKER. I make the same answer.

Mr. BLANTON. Did you ever make such a trip to San Francisco, Calif., to investigate the tax rate there?

Mr. PARKER. The answer is the same.

Mr. BLANTON. Did you ever make such a trip to Cincinnati, Ohio, to investigate the tax rate there?

Mr. PARKER. The answer is the same.

Mr. BLANTON. Then you do not know what the Treasury Department did, do you?

Mr. PARKER. Pretty well.

Mr. BLANTON. Have you talked to any of them?

Mr. PARKER. No; but the report shows on its face.

Mr. BLANTON. You never talked with them?

Mr. PARKER. Not about this.

Mr. BLANTON. You have never talked with the President of the United States about that, have you?

Mr. PARKER. No, sir.

Mr. BLANTON. I happen to know that one of the President's friends in New York bought a \$100,000 piece of property here in Washington, and at the same time bought exactly the same kind of property in New York for \$100,000, and he pays much more taxes on the New York property than he pays in Washington. That is the answer.

Did you know that in addition to the things that the District pays for, with the help of the Government, that there are numerous local matters here in Washington that other cities have to pay for themselves that the Government pays for exclusively, 100 percent? Did you know that?

Mr. PARKER. There are some governmental expenses that they care for.

Mr. BLANTON. Do you know how much money is included in what we call the Interior Department appropriation bill every year for local expenses in Washington that other cities would have to pay for, and that the city of Washington would have to pay for if the Government were not here?

Mr. PARKER. I do not recall the amount.

Mr. BLANTON. You know there is a tremendous amount?

Mr. PARKER. Quite a large sum.

Mr. BLANTON. Do you not know that in practically every one of the 10 appropriation bills that we pass every year there is included a big sum of money that is spent for local improvements in Washington, in a civic way, that other cities would like to have, and for which they would have to pay themselves?

Mr. PARKER. I did not know that was in every bill. There are a number of them which carry it.

Mr. JOHNSON. Did the committee request you to make the report?

Mr. PARKER. The board of trade retained me to make the report.

Mr. JOHNSON. I thought you said the committee.

Mr. PARKER. I am talking about this committee requesting me to come here. I did not volunteer.

Mr. BLANTON. This committee has never asked you to make a tax survey, has it?

Mr. PARKER. No, sir.

Mr. BLANTON. The subcommittee of the Senate committee handling the District appropriation bill, headed by Senator THOMAS of Oklahoma, has never asked you to make a survey of taxes, has it?

Mr. PARKER. No, sir.

Mr. BLANTON. The only thing you have ever done in connection with taxes in Washington was done at the request of the Washington Board of Trade under your \$5,500 employment?

Mr. PARKER. That is right.

Mr. BLANTON. You knew that the entire pay roll of the Howard University here in Washington is spent in Washington and you knew that that was paid for, 100 percent, by the United States Government, did you not? The District does not have anything to do with that. You know that, do you not?

Mr. PARKER. Yes, sir.

Mr. BLANTON. Did you know that this Government spent every dollar of the \$14,750,000 of the cost of the fine Memorial Bridge that goes into Virginia; did you know that?

Mr. PARKER. I suppose they paid for the whole of it.

Mr. BLANTON. Did you know that this Government paid for all of the fine driveway on the other side of the river that goes to Mount Vernon?

Mr. PARKER. But that is not in the District.

Mr. BLANTON. But the District people use it. You use it all the time as a District man?

Mr. PARKER. Yes.

Mr. BLANTON. You drive over it with your family there frequently?

Mr. PARKER. Occasionally.

Mr. BLANTON. Did you know that the fine Lincoln Memorial, with the reflecting pools used for skating by Washington people in winter, which you find visited by such large crowds all the time, was all paid for by the Government of the United States—all that big plant?

Mr. PARKER. Yes.

Mr. BLANTON. Did you know that the Washington Monument, which attracts so many people, both from Washington and places outside of Washington, was paid for by the United States Government?

Mr. PARKER. Yes, sir.

Mr. BLANTON. Did you know that the Government of the United States has paid every dollar of the cost of this beautiful Supreme Court Building that attracts such large crowds here all the time?

Mr. PARKER. Yes, sir.

Mr. BLANTON. Did you know that this fine Congressional Library, with the additional Library building that they are building to the

east of the present building, was paid for wholly by the United States Government?

Mr. PARKER. That is correct.

Mr. BLANTON. Did you know that right now you will find hundreds of Washington people in the Congressional Library using it, in the reading room?

Mr. PARKER. They have the same use of it as anybody else.

Mr. BLANTON. Did you know that all of these Government departments here that attract so many people to this city, where there were 600,000 of them here in April, tourists, all of whom spent about \$25 in Washington, on the average—did you know that all of those department buildings were paid for by the Government of the United States and not by the District?

Mr. PARKER. Yes.

Mr. BLANTON. Did you know that if this Government plant was not here, that if the Government institutions were not here, that instead of finding this big city here you would find just a little village, like it was when we took it over?

Mr. PARKER. That is probably true.

Mr. BLANTON. Did you know that when the Government of the United States took over this District of 10 miles square it was just a swamp-ridden, mosquito-ridden village, and they made a beautiful city out of it that attracts hundreds of thousands of people here every month?

Mr. PARKER. Of course, Washington, the city, has been developed by the National Government; there is no question about that.

Mr. BLANTON. Did you know that the purpose of your \$5,500 employment by the board of trade was to try to get a big lump-sum appropriation for the Government? You knew that, did you not?

Mr. PARKER. No; I did not know that.

Mr. BLANTON. Mr. Parker, can you state to this committee that you know that France pays one franc of contribution to Paris because of its capital being planted there?

Mr. PARKER. No; but I can report and check up on that.

Mr. BLANTON. I will state to you that it does not.

Did you know that Belgium pays nothing as a contribution for its capital?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Germany pays nothing in the way of a contribution for its capital?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Great Britain pays absolutely nothing in the way of a contribution that is comparable to the lump sum that the United States pays to Washington?

Mr. PARKER. Great Britain has a system by which they make grants to all of their municipalities.

Mr. BLANTON. You say you know—

Mr. PARKER. I know about Great Britain; I know what they do there; they make grants.

Mr. BLANTON. Great Britain does not pay one dollar contribution. Did you know that Mexico pays nothing in the way of a contribution to its capital?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Poland pays nothing by way of a contribution to its capital?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Spain pays nothing by way of a contribution to its capital?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Sweden pays nothing by way of contribution to its capital?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Switzerland pays nothing in the way of a contribution to its capital?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Yugoslavia pays nothing in the way of such a contribution?

Mr. PARKER. No.

Mr. BLANTON. Did you know that Brazil pays nothing?

Mr. PARKER. No.

Mr. BLANTON. I will state to you that none of these countries pays a dollar comparable to the lump sum that this Government pays to Washington.

Has it occurred to you any time, Mr. Parker, that, drawing a \$9,600 annual salary from the United States Government, especially in view of the fact that you are serving a joint committee of the House and Senate, and that there is a controversy in Congress every year over a lump-sum contribution, and that in the past appropriation bills the Senate has put in whatever the District has asked for, whatever the board of trade has asked for, and the House has had to make a fight to keep it down, that there would be any ethical question involved in your serving the Washington Board of Trade for a \$5,500 fee in a capacity that would be antagonistic to what the House and the Senate might do in this matter?

Mr. PARKER. As I say, when I went into this I went with the idea of making a tax survey and advising them as to taxes only.

Mr. BLANTON. I would suggest this to you, just as one Member of Congress, that as long as you are drawing \$9,600 from this Government in annual salary and serving a joint committee of Congress, as one Member of Congress I would vote to require you either not to take such antagonistic employment, or to quit taking a Government salary. That is the way I feel about it. I feel that your one employment is antagonistic to the other, and it is an interference with the rights of the Government involved here. There is a question of \$3,000,000 involved right now. That is probably what Mr. Colladay had in mind when he made this state-

ment in the hearing before the Senate committee. This colloquy occurred [reading]:

"Senator COPELAND. Are you going to tell us some new things, Mr. Colladay, or some additional reasons, or some old truths proven by new formulas, with a new presentation of the facts?"

"Mr. COLLADAY. Senator COPELAND, if you and the other Senators present were going to make a final report on our case, I would be willing to just file the document which I have just handed to you and submit the case on the brief, but it would seem advisable to make the record a little more fully."

In conclusion, Mr. Speaker, I repeat that it would be outrageously unjust for us to make the people of the United States pay \$5,700,000 on the expenses of the people of Washington.

Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. SNELL. Mr. Speaker, I ask for a division of the resolution.

The SPEAKER. The Chair thinks the resolution is divisible, and the Clerk will report the first portion of the resolution.

The Clerk read as follows:

Moved, That managers on the part of the House, who, at the request of the Senate, were appointed by the Speaker on April 24, 1936, for a conference with the managers on the part of the Senate, who were appointed by the Senate on April 23, 1936, respecting the disagreeing votes of the two Houses relative to 87 amendments placed by the Senate on the House bill, H. R. 11581, making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, have been in conference more than 20 days without avail, said House conferees having been appointed for more than 20 calendar days, and have made no report to the House that they, the said managers on the part of the House be, and they are hereby, instructed as follows:

First. The House instructs its managers to insist on the disagreement of the House to Senate amendment no. 1, which proposes to appropriate \$5,700,000 out of the United States Treasury, as a Federal contribution on the local civic expenses of the District of Columbia, and to insist on the House provision respecting same.

The SPEAKER. The question is on agreeing to the first part of the resolution.

The question was taken; and on a division (demanded by Mr. BLANTON and Mr. MAVERICK) there were—ayes 142, noes 39.

Mr. Sisson. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point of order that there is no quorum present. The Chair will count. [After counting.] Two hundred and thirty-six Members present, a quorum.

Mr. MAVERICK. Mr. Speaker, I demand the yeas and nays.

Mr. BLANTON. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentlemen from Texas demand the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Thirty-four Members have risen, not a sufficient number, and the yeas and nays are refused.

So the first part of the resolution was agreed to.

The SPEAKER. The Clerk will report the second part of the resolution.

The Clerk read as follows:

Second. The House instructs its managers to insist on the disagreement of the House to Senate amendment no. 37-8-9, appropriating \$78,660 for so-called character education, and to insist on the refusal of the House to appropriate any money for so-called character education.

The SPEAKER. The question is on agreeing to the second part of the resolution.

Mr. BOILEAU. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Fourteen Members have risen, not a sufficient number.

Mr. BOILEAU. Mr. Speaker, I demand a division.

The House divided; and there were—ayes 109, noes 46.

Mr. Sisson. Mr. Speaker, I make the point of order that there is no quorum present, and object to the vote upon the ground that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-six Members present, a quorum.

So the second part of the resolution was agreed to.

The SPEAKER. The Clerk will report the third portion of the resolution.

The Clerk read as follows:

Third. The House instructs its managers to insist on the disagreement of the House to Senate amendment no. 83, which struck from the House bill "Sec. 6", which Senate amendment 83 would permit high-salaried judges, high-salaried prosecuting attorneys, high-salaried doctors, and other high-salaried officers and employees, to accept outside employment from others.

The SPEAKER. The question is on agreeing to the third portion of the resolution.

Mr. BLANTON. Mr. Speaker, on that I demand a division.

The House divided; and there were—ayes 86, noes 78.

Mr. BOILEAU. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Wisconsin demands the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Twenty-six Members have risen, not a sufficient number, and the yeas and nays are refused.

So the third portion of the resolution was agreed to.

Mr. BLANTON. Mr. Speaker, I move to reconsider the votes by which these portions of the resolutions have been agreed to and lay that motion on the table.

The motion was agreed to.

SPECIAL ORDER

The SPEAKER. A special order was granted for this morning. The gentleman from Minnesota [Mr. CHRISTIANSON] is recognized for 10 minutes.

Mr. CHRISTIANSON. Mr. Speaker, I yield to the gentleman from Tennessee to present a conference report.

OFFICERS AND EMPLOYEES OF FOREIGN SERVICE OF THE UNITED STATES

Mr. McREYNOLDS. Mr. Speaker, I present a conference report and statement on the bill (S. 267) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature, for printing in the RECORD.

AGRICULTURE

Mr. CHRISTIANSON. Mr. Speaker, I take the floor today to make some observations upon the agricultural problem. You may perhaps consider me presumptuous in so doing, for the subject has been discussed in these halls for years by members much more competent than I. Little if any of what I shall say will have the merit of originality. Nevertheless I feel it my duty before terminating my service in the House to call attention to the fact that after years of thought and effort the problem still remains unsolved.

I wonder if it has occurred to Democrats who have criticized the Republican record and to Republicans who have called attention to the futility of New Deal measures, that Mr. Hoover and Mr. Roosevelt, although employing different expedients, approached the farm problem from the same starting point. The Hoover program and the Roosevelt program were different in detail, but they were based on the same philosophy and were postulated on the same error.

Mr. Roosevelt sought to balance supply and demand by reducing domestic production. Mr. Hoover sought to accomplish the same purpose by segregating and impounding the surplus. Each tried to raise the price by limiting the amount available for consumption, Mr. Roosevelt by keeping wheat from being raised, Mr. Hoover by keeping it from being sold. In the case of cotton the present administration has followed the same procedure its predecessor used in the case of wheat.

Each administration in a large measure failed, because the principle upon which it operated was wrong. Mr. Hoover did not anticipate that products withheld from the market

would nevertheless, so long as they were within the boundaries of the country, have a depressing effect on the market; and Mr. Roosevelt did not foresee that the vagaries of the weather and the disposition of cooperators to "chisel" and of non-cooperators to sow more acres in anticipation of a higher price, would confound the best-meant efforts at regimentation and regulation.

The weakness in the Hoover procedure was that if it raised prices it would also stimulate production and thereby so increase the hoarded surplus that the market would fall faster and harder when it finally collapsed under its own weight. The weakness in the Roosevelt program was that if it accomplished a substantial acreage reduction, it would in the event of drought or other calamity leave the country on short rations and invite the importation of farm products that should have been raised at home.

Each of these administrations failed because it either did not see or refused to see that agriculture in the United States was built up on a surplus basis and therefore cannot be prosperous without an export market, and that it cannot have an export market if the exporter has to compete in purchasing agricultural products with domestic millers buying for a protected home market at prices substantially above the world level.

A one-price system in a surplus producing country whose cost of production is higher than its competitors inevitably presents to the farmer the choice of two alternatives: He may sell in the domestic market at the world price, or he may sell at a protected price and forego the foreign market. In either case he goes broke.

No one has been able to point to any method by which the American producer of such surplus commodities as wheat and cotton can be saved, except by making effective a two-price system under which the farmer would receive a protected price in the home market for whatever is required for home consumption and the world price for the surplus.

What particular mechanism is adopted to accomplish that end is less important than that some such mechanism be adopted.

The payment of export bounties financed by equalization fees is only one of many proposals that have been made.

I am aware that there are some who claim that there are no longer any world markets in which our surpluses can be sold. Chester Davis is the latest recruit in the company of defeatists.

I am not willing to accept the assumption that we cannot sell anything anywhere if we make the price sufficiently attractive.

In making that assertion I am relying on the statements of men who have had years of practical experience in the grain trade, not on the theoretical conclusions of furloughed college professors.

I voted for the Agricultural Adjustment Act, as I did for the so-called Soil Conservation Act, not because I considered it an adequate farm measure but because it was the only proposal for the relief of agriculture for which we were given an opportunity to vote.

I do not condemn A. A. A. in its entirety, for it was not wholly bad; it did give the farmers, especially in the drought-stricken areas, relief that was badly needed. My criticism of it is that it did not go far enough. It gave relief but it did not solve the farm problem, but rather served to complicate it.

It did not any more solve the farm problem than the dole solves the problem of unemployment.

Instead of reducing acreage, it tended rather to shift production from one crop to another, thus creating new dislocations without removing the old ones.

It did not raise the prices of farm products. The increase in prices was accomplished—to the extent it has been accomplished—by 2 years of devastating drought, by the devaluation of the dollar, and by a rise in the world price level.

While it is not only our right but our duty, as the minority, to call attention to the shortcomings and errors of the party in power, it is also our obligation to formulate an alternative program. I hope that it will not be considered too pre-

sumptuous to offer as my own contribution to that program the following recommendations:

First. We should reserve to the farmer his home market by (a) repealing the present Reciprocal Trade Agreement Act, and (b) raising duties on agricultural products in instances where export bounties and depreciated currencies have facilitated their shipment into this country. [Applause.]

Second. We should reopen the foreign markets we formerly enjoyed by adopting a two-price system that would enable the farmer to sell his surpluses at competitive world prices without forcing him to accept anything less than a protected price in the domestic market.

Third. We should aim to develop new foreign outlets by facilitating reciprocal trade, and toward that end we should adopt the formula developed by George N. Peek, but rejected by the present administration. The farmer should not be subordinated to industry in the field of foreign commerce, but should be given the opportunity to pay for such imported noncompetitive agricultural products as coffee, tea, cocoa, silk, sisal, and rubber with American agricultural surpluses. Dr. John Coulter, lately of the Tariff Commission, has pointed out that this could be accomplished by imposing exchange restrictions making exchange issued to pay for foreign agricultural products redeemable only when presented in payment for American agricultural products.

The SPEAKER pro tempore (Mr. GILLETTE). The time of the gentleman from Minnesota has expired.

Mr. CHRISTIANSON. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. GREENWOOD. Mr. Speaker, reserving the right to object, I am not going to object to the gentleman's request, but so much time has been used today that I will object to any further requests for time.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CHRISTIANSON. Fourth. We should stop the irrigation and reclamation program of the present administration, which has largely if not entirely neutralized its efforts toward acreage reduction. [Applause.] Crop adjustment should start by withholding lands now untilled from cultivation rather than by retiring acres already producing. The Federal Government should discontinue leasing its own land and permitting it to produce in competition with privately owned farms.

Fifth. We should continue along a broader front experiments for discovering and developing new uses for agricultural products, in order that the farmer in the future may share more equitably in that part of the consumer's dollar that is not used to buy food or fiber.

Sixth. We should make provision for the refinancing of farm mortgages at the lowest possible rates of interest, in order that there may be accomplished the two objectives of (a) eventually liquidating the farm mortgage indebtedness and (b) releasing into the channels of commerce and industry farmers' buying power that now goes to and is hoarded by financial institutions. If the farmer is to be subsidized in any way, the subsidy should take the form of relief from a debt burden imposed upon him largely by conditions related to and growing out of the war.

Seventh. We should lower the cost of transporting agricultural products (a) by removing existing restrictions on the reduction of long-haul railroad rates and (b) by opening practicable water channels from the interior to the sea.

Eighth. We might tax agricultural land in this country on the basis of its rental income, as is done in England, rather than on a more or less arbitrarily fixed sales value, and thereby apply to farm taxation the yardstick of "ability to pay." This recommendation, of course, calls for State rather than Federal legislation.

This program looks toward the rehabilitation of agriculture, and rehabilitation is what the farmer wants. He is still the most individualistic of all citizens, and as such is

not satisfied with a dole, no matter how well camouflaged. Put the farmer on a basis of equality with others, and he can and will take care of himself. [Applause.]

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. GUYER. Mr. Speaker, I ask unanimous consent to proceed for 3 or 4 minutes out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

Mr. GREENWOOD. Reserving the right to object, I served notice that I would object to any further requests for time to speak. If somebody wishes to ask unanimous consent to extend their remarks or something like that, that is all right, but I must object to any further request to speak.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

Mr. GREENWOOD. Mr. Speaker, I object.

WHERE?

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SHORT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address, delivered by me, on May 25, 1936, which has been slightly extended:

My fellow Americans, in behalf of the National Republican Congressional Committee, I thank the Columbia Broadcasting System for this opportunity to address the American electorate.

Limited time will permit me to explore only a few of the bewildering meanderings of New Deal policies since March 4, 1933. President Roosevelt frequently assures us that "we are on our way." "Where, oh, where?" is the big, baffling question in the minds of the American people.

Do the New Deal generals themselves have a clear conception of what they are trying to do?

We see them negotiating reciprocal-tariff treaties for 3 years, with a professed view to lowering tariffs in every direction—and last week President Roosevelt, by Executive order, belatedly increased tariffs on ruinous imports of cotton goods from Japan. What, then, is the New Deal policy—to lower tariffs or raise them? As a Republican Member of the House of Representatives, I am honored to find the President coming belatedly to embrace the solid Republican principle of protection for American workers and American farmers. Not so his Secretary of State! The people of America will not dismiss lightly the befogged policy which is indicated by this overdue upward revision of the textile tariff after 3 years of frantic efforts to lower our protection in every other sphere.

Similarly, we find the New Deal pursuing vigorously a policy to curtail agricultural production. Hundreds of millions of dollars of the taxpayers' hard-earned money have been poured out of the National Treasury to reduce crops. At the same time we find literally hundreds of millions more being poured out of the Treasury at another vent to build gigantic irrigation projects—which will bring hundreds of thousands of new acres into cultivation, to further increase the total agricultural production of the Nation. Such an inconsistent policy is sheer idiocy, and no sane person can make any sense out of such a hodgepodge.

When we find a government raising tariffs and lowering tariffs at the same time—plowing under acreage and bringing new acreage into fertility at the same moment—buying Chinese silver and Mexican silver with good American gold, only to use that silver as a sterile reserve against more and more paper money—when we see these conflicting and contradictory policies being pursued in all directions at once, it is appropriate to pause and ask, "Where is the New Deal heading America? What is the New Deal doing for recovery? What obstacles are being placed in the path of America's sane and orderly progress?"

Again, there is the problem of Roosevelt confusion in relation to our foreign trade in farm products. Producers of every major crop in America virtually have been compelled to reduce their acreage—in the name of balanced agriculture. But how is our agriculture being balanced?

In 1932 American farmers sold 7,886,000 bushels of corn to foreign countries. In addition, they shipped more than 150,000 barrels of corn meal and corn flour. They shipped 12,000,000 pounds of hominy and corn grits. American farm products went to every quarter of the globe. But look at the same picture for the calendar year 1935. The official figures recently have been published by the Department of Commerce. In 1935 we imported 43,242,000 bushels of corn; and we did not export a pound of corn, corn meal, flour, hominy, or corn grits.

Can any citizen of the United States rationalize a program which takes American acres out of production so that the necessary foodstuffs may be imported from foreign farmers?

Consider imports of pork. In 1932, we imported only 29,000 pounds of live hogs, but in 1935 we imported 3,414,317 pounds of live hogs. During the full calendar year 1935 our total imports of pork products of all kinds aggregated 13,908,176 pounds—and this after the New Deal had deliberately slaughtered more than 6,000,000 American hogs in 1933 and 1934!

Putting it another way, we took money from our National Treasury—money which ultimately must be paid in taxes upon every citizen—to destroy millions of pounds of pork, and then made up our consequent deficiency in 1935 food supplies by importing almost 14,000,000 pounds of pork from foreign lands. This is not an agricultural policy. It is, rather, the systematic destruction, the willful undermining of the American economic system. If long pursued, it will mean the utter ruin of the American farmer.

Perhaps the New Deal at heart is not overly solicitous concerning the welfare of American agriculture. You will recall the address of the principal New Deal campaign manager, Postmaster General James A. Farley, a few days ago at Grand Rapids, Mich., in which he referred with eloquent disdain to "a typical prairie State." We people of the great agricultural-producing region of America long have understood the contempt, scorn, and derision in which Tammany holds the great Middle West. We know the eastern city dude ignorantly believes that people out West are nothing but "hicks" and "rubes", only to be laughed at—they laughed at Lincoln!

Many good people of the great prairie States, I may add, appear to reciprocate heartily in their mistrust of the political system of Tammany Hall.

Yet it is illuminating to find the Postmaster General and the chairman of the Democratic National Committee and the chairman of the Democratic State Committee for New York publicly proclaim his sincere contempt for "a typical prairie State."

In the final analysis, however, this unsympathetic attitude of the Postmaster General is not difficult to understand.

The prairie States will be the last in the Union to be Tammanized by the Farley spoils system. Our people believe in fair play.

The prairie States still are fighting for constitutional government. They believe in the Supreme Court.

The prairie States will be the last to ratify the New Deal policy of reckless squandering of the people's money and the Nation's substance. They do not want to mortgage the future of their children; nor do they believe that an artificial, temporary prosperity can long continue by giving the people abnormal "shots in the arm" of their own money, borrowed against their future, which they themselves ultimately must pay back.

The people of the prairie States realize that our Government is not confined to Washington but extends to every hamlet in our land. The people of this country are the Government, and no government can give to its people anything that it does not take from them. Always we must pay for what we get. No kind of government supports its people. Every type of government is supported by its people. Until the advent of the New Deal, our American system of government was the servant and not the master of men.

The people of the prairie States are liberal—but not like Roosevelt and Farley, with other people's money.

The prairie States will be the last in this Union to accept the principle of the boondoggle as the foundation stone of American prosperity. They believe in individual initiative and private enterprise.

The prairie States always have operated on the system of balanced budgets. Nebraska has no State debt today. Kansas has been operating on a balanced budget since 1932. We pay as we go.

The prairie States support an honest and industrious people, and no public slurs and aspersions from Tammany spoilsmen will change the honorable and forthright convictions of that section.

In a little more than 3 years, the New Dealers have increased our national debt by more than \$10,000,000,000, and in spite of this excessive expenditure we will have about 12,000,000 unemployed and 20,000,000 of our people on relief. Nothing is more distressing or demoralizing to an individual or to a nation than to be hopelessly bogged down in the mire of debt. Such a path leads to bankruptcy, repudiation, and loss of individual and national honor.

At the end of the next fiscal year of the Roosevelt administration (1937) our national debt will be in the neighborhood of \$36,500,000,000. This is greater than the value of all the farm lands and farm buildings, the farm machinery, and farm improvements in the United States today. It is estimated that the current value of all farm property is only \$34,500,000,000; but before the New Dealers get through with their reckless extravagance and fantastic bootstrap recovery, the national debt of the United States will exceed this figure by, roundly, \$2,000,000,000.

There is not to be found in all human history a more shocking example of reckless waste. Political expediency and New Deal nostrums, Machiavellian demagoguery and half-baked panaceas are to blame.

The New Deal already has cost us the prosperity and progress of an entire generation. And the Roosevelt administration still has 7 months to go. This New Deal is a fake and a fraud. Its father is trickery, its mother deception, and its offspring corruption. In 1932 it seduced the voters of America and ever since March 4, 1933, it has raped the Government and its people. The voice is the voice of Roosevelt, but the hand is the hand of Farley.

I leave with you the question with which I began, "Where, if anywhere, is President Roosevelt leading our great country?" Shall we continue to own this country, or shall we be owned by it? Shall we remain free men in a republic of representative democracy, or shall we become slaves in a dictatorial bureaucracy or serfs in a regimented communistic society?

In November 1936 every voter must answer this question at the ballot box. Then, I predict, Jim Farley will learn that while the people of the prairie States may have a little hayseed in their hair, they do not have cobwebs in their brain.

PERMISSION TO ADDRESS THE HOUSE

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that on Thursday next, after the reading of the Journal and disposition of matters on the Speaker's desk, I may be allowed to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. PATMAN. Reserving the right to object, Mr. Speaker, I dislike very much to object to my good friend speaking. I always enjoy what he has to say, but we are expecting to be considering the Robinson-Patman equal-opportunity-in-business bill at that time, and I shall be compelled to object. I hope the gentleman will withdraw his request or make it for some other date.

Mr. GOLDSBOROUGH. Mr. Speaker, I modify the request to speak on Monday next.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent that on Monday next, after the reading of the Journal and disposition of matters on the Speaker's desk, he may address the House for 15 minutes. Is there objection?

There was no objection.

OLD-AGE PENSIONS AND SOCIAL SECURITY

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, about 6 years ago, on June 12, 1930, I made the first speech ever made in the American Congress favoring a national old-age-pension system.

At that time my views were ridiculed in many quarters, but since then the idea has spread among our people by leaps and bounds, so that in 1935 the American Congress passed an Old Age Pension and Social Security Act, and during the same year the legislature of my own State of Maryland passed an Old Age Pension and Social Security Act.

To May 1 in Maryland 7,517 persons are receiving up to \$30 a month—averaging \$17 a month—in old-age pensions, and by the end of the year it is expected that this number will be increased by 4,134, bringing the total up to 11,651 in Maryland alone.

Of course, the present laws are not sufficiently broad in their provisions to provide for all worthy cases, nor are the monthly payments as large as they should be.

A beginning has been made, and those who believe it to be a public disgrace to have the aged and those unable to work dependent on charity will never stop their efforts until every almshouse in the country is empty and for rent. Personally, I will continue to labor for the cause of old-age pensions and social security until we have fully adequate legislation.

CALL OF THE HOUSE

Mr. MILLARD. Mr. Speaker, I raise the point of order that there is no quorum present. Important business is being transacted and we should have a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and twenty-four Members are present, not a quorum.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 109]

Adair	Curley	Hope	Rayburn
Andrew, Mass.	Darden	Huddleston	Reed, N. Y.
Andrews, N. Y.	Dear	Jenckes, Ind.	Rogers, N. H.
Bacon	Ditter	Kee	Ryan
Barden	Duffey, Ohio	Keller	Sanders, La.
Berlin	Dunn, Miss.	Kennedy, Md.	Sandlin
Bolton	Eaton	Kerr	Schaefer
Brennan	Eckert	Lambertson	Schuetz
Brewster	Englebright	Lanham	Tobey
Brooks	Fenerty	Lee, Okla.	Treadway
Buckley, N. Y.	Ferguson	McGroarty	Turpin
Bulwinkle	Fernandez	McLean	Utterback
Caldwell	Fiesinger	Maloney	Wadsworth
Carmichael	Fulmer	Montet	Werner
Cartwright	Goodwin	Moran	Wigglesworth
Cary	Green	Murdock	Wilcox
Casey	Greenway	Norton	Wilson, La.
Cavichia	Gwynne	O'Connell	Wood
Chapman	Hamlin	O'Neal	Zioncheck
Claiborne	Harlan	Peterson, Fla.	
Clark, Idaho	Hennings	Plumley	
Creal	Hoepfel	Quinn	

The SPEAKER. Three hundred and forty Members are present, a quorum.

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

CALENDAR WEDNESDAY

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be dispensed with this week.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MONAGHAN. Mr. Speaker, I ask unanimous consent to proceed for 4 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. GREENWOOD. Mr. Speaker, I served notice that I would object to any further speeches today.

Mr. MONAGHAN. Mr. Speaker, then I ask unanimous consent that on tomorrow, after the reading of the Journal and disposition of matters on the Speaker's desk, I be permitted to proceed for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. PATMAN. Reserving the right to object, Mr. Speaker, I dislike very much to object to the request of the gentleman from Montana, but the House will consider a bill tomorrow, under a special rule, in which the people of the country are very much interested. I objected to the gentleman from Maryland [Mr. GOLDSBOROUGH] under similar circumstances. I shall be compelled to object, unless the gentleman would change his request to some other date.

Mr. MONAGHAN. Mr. Speaker, I ask unanimous consent that I be permitted to speak on Monday next, after disposition of matters on the Speaker's desk, for 10 minutes.

The SPEAKER. The gentleman from Montana asks unanimous consent that on Monday next, after disposition of matters on the Speaker's desk and the special order heretofore granted, he be allowed to address the House for 10 minutes. Is there objection?

There was no objection.

SESSIONS OF THE COMMITTEE ON IMMIGRATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the Committee on Immigration may sit during the sessions of the House tomorrow and Thursday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

VOCATIONAL EDUCATION

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 520.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 520

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 12120, a bill to provide for the further development of vocational education in the several States and Territories, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. GREENWOOD. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

PERMISSION TO ADDRESS THE HOUSE

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield to permit me to submit a unanimous-consent request?

Mr. GREENWOOD. Mr. Speaker, I yield.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that on Friday next, after the reading of the Journal and the disposition of matters on the Speaker's table, I may be allowed to use the 30 minutes I was to have used yesterday.

Mr. PATMAN. Mr. Speaker, reserving the right to object, I dislike to object to the request of the gentleman from Kentucky, but we are not at all certain that by Friday we shall get through with the bill we are going to take up tomorrow, and it would endanger the passage of that legislation. I ask, therefore, that the gentleman fix another date.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that on Monday next, after the reading of the Journal and the disposition of the two special orders heretofore granted, I may address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

VOCATIONAL EDUCATION

Mr. GREENWOOD. Mr. Speaker, House Resolution 520 from the Committee on Rules provides for the consideration of the vocational-education bill. It is a liberal rule, providing for amendment and for 1 hour of debate to be confined to the bill.

Mr. Speaker, it might be well to have a little background for the consideration of this bill in order that we may know the purpose of the resolution. This bill provides for the authorization of \$18,000,000—\$6,000,000 is to be used for the year ending June 30, 1937; \$6,000,000 for the year ending June 30, 1938; and \$6,000,000 for the year ending June 30, 1939. It is a continuation of the program for vocational education and is divided three ways—for training along agricultural lines, along the line of home economics, and for training in industry.

Mr. Speaker, the first legislation of this character goes back to 1918, when the Smith-Hughes Act was passed, which contributed \$500,000 for training in agriculture and \$500,000 for industrial training. The Smith-Hughes Act was followed by the George-Elzey Act in 1934, providing \$3,000,000 a year; but that act expires this year; and it is for the continuation of this work that the increase from \$3,000,000 to \$6,000,000 is proposed in this bill.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. JOHNSON of Texas. Will opportunity be afforded to substitute the Senate bill for the House bill?

Mr. GREENWOOD. The rule does not so provide; but I have discussed the matter with the Parliamentarian and understand that after the first section of this bill is read the Senate bill could be offered as an amendment. The rule provides that the bill is wide open for amendment.

Mr. JOHNSON of Texas. I may say to the gentleman from Indiana that a number of Members would like to see the Senate bill substituted for the House bill.

Mr. GREENWOOD. There are several members of the committee who would like to see the same thing done, and I believe the parliamentary situation will be such as to permit its being done, even though the rule does not specifically provide for it.

Mr. Speaker, we all recognize the merits of this character of education. Most of the States have a very elaborate system of academic education, of schooling along scientific and educational lines, but it is only within the last few years that we have recognized the great necessity for educating not only the younger, but even the older people along scientific lines in trades and vocations. Perhaps the emergency that arose from the depression when there was so much unemployment brought more vividly to our minds the necessity of educating people in order that they may be able to earn a livelihood; and this bill proposes a permanent program along the lines already undertaken. The unemployment situation in many States and the extra burden that has been thrown upon the States has required this Federal aid on a 50-50 basis. I think the Federal Government is equally interested with the States in helping place the youth, the men and women, and even those of adult age, in a position where they may be able to earn a livelihood through having a better understanding of the different vocations. Many of the States have undertaken this program but would have to abandon it if Federal aid is not continued as proposed by this legislation.

Mr. Speaker, three very basic features of life are covered by this bill: First, farming, going back to our greatest of natural resources, the soil. Agricultural education has one-third of the privileges and appropriations authorized in this legislation. The conservation of the soil is perhaps the greatest necessity confronting any nation that has a large population to insure the future perpetuity of the race. We have in the Orient many examples of nations which have neglected their soil, nations like China and the Asiatic countries, where the population has increased rather phenomenally, but where a soil is so depleted that hunger and starvation is constantly menacing the future of the people. In our Nation, of course, the farm population, dependent on the soil, is the largest single group. Then the bill also undertakes to encourage the teaching of new methods in the home. There are perhaps better methods than we have known in the past which have been brought about through discovery and invention, and the necessity arises for organizing the home upon an economic basis in order to care for the necessities, in order to take care of living under present circumstances; health, sanitation, and home management, all these subjects appeal, I think, to the entire membership of the House. Then, in this mechanical age, this age of invention and discovery, the trade a man learned at 10, 12, or 15 years ago may be of no further use to him; it does not stand him so well in stead to earn a livelihood under present economic conditions.

So it is going to accommodate modern life to the situation as we now find it, which grew out of the depression and out of the advancement that has come through the years. This particular type of education is greatly needed and is being popularized in various States because the youth of the country desire to learn something whereby they may earn their own livelihood by the use of their hands. I think it is very laudible that the Federal Government is putting up 50 percent of these funds so that the States may meet the appropriation and take advantage of this class of education. I trust the rule may be adopted and the bill enacted into law.

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, the subject of vocational education is not a new one in this country. More than 19 years have passed since the original act was adopted by the Congress of the United States, and it is now permanent

legislation. Under the Smith-Hughes Act the States receive \$7,157,000 each year and, as pointed out by the gentleman from Indiana [Mr. GREENWOOD], this bill is supplemental and is offered to carry on the program inaugurated under the original Smith-Hughes Act. I am deeply interested in the subject of vocational education. The Members of the House will notice that in the House bill now under consideration only 3 years are provided for with \$6,000,000 appropriated each year. It was the thought of the committee, after due consideration, that instead of making this permanent legislation it should be made for the span of 3 years so that at the end of that time it would be better known what should be done and what provision should be made with reference to either curtailing the subject of vocational education or increasing and broadening its scope.

I may say in passing that this bill comes before the House with the unanimous report of the Committee on Education. There is no dissenting opinion. The \$6,000,000 provided each year is to be divided three ways among the States. If this bill becomes law, taken with the Smith-Hughes Act, it means that each State would receive only \$274,000 if the money is allocated or allotted equally. If this bill does not become law, and we carry on under the Smith-Hughes Act, then if the money is divided equally the States would receive about \$150,000 each.

I am fully aware of the fact that the Senate of the United States has passed a similar bill, and I understand a movement is on foot in the House to offer the Senate bill as an amendment to the pending House bill. The Senate bill carries an appropriation of \$12,000,000 each year and is permanent legislation, while the House bill carries an appropriation of only \$6,000,000 each year. I may say to the House that the Committee on Education held hearings on this bill, and so far as the testimony offered before that committee is concerned, there was nothing presented to justify the inclusion of an annual appropriation of \$12,000,000; therefore, it was the unanimous judgment of the committee that \$6,000,000 is ample, for the reason that the George-Ellzey Act, which expires in another year—and this bill is offered in lieu of that—carried but \$3,000,000, while this bill doubles that amount.

Mr. TARVER. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Georgia.

Mr. TARVER. The committee has given consideration to the Senate bill. Was it studied by the House committee?

Mr. DONDERO. I may say to the gentleman that the Senate bill and its provisions were known to the committee, or at least the substantial provisions of it, and the same were discussed by our committee.

Mr. TARVER. The gentleman does not intend to convey the impression in his statement that the committee was unanimously opposed to the provisions of the Senate bill?

Mr. DONDERO. No. My statement is that the committee was of the unanimous opinion that the House bill was the right kind of a bill to bring before the House at the present time.

Mr. PALMISANO. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Maryland.

Mr. PALMISANO. House bill 10190 was identical with the Senate bill. The gentleman who introduced the so-called George bill in the Senate then introduced the bill which is now pending before the House.

Mr. TARVER. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Georgia.

Mr. TARVER. There is another major difference between the House and Senate bills, as, of course, the gentleman knows. The Senate bill provides that a certain proportion of these funds shall be made available to the States without matching.

Mr. DONDERO. Yes; I understand that.

Mr. TARVER. It strikes me that the provisions of the Senate bill are perhaps more meritorious than the mere increase in the amount which is made available, in that it tends to give to States which may not be able to match Federal funds some opportunity to participate under the provi-

sions of this legislation. Will the gentleman discuss that feature of the Senate bill?

Mr. DONDERO. I may say to the gentleman from Georgia that the question of matching funds, of course, is one that is vital to the States which feel they cannot appropriate sufficient money to meet the Federal aid. I call attention to the fact that the House bill attempts simply to supplement the Smith-Hughes Act and the George-Ellzey Act and carries out the same policy and the same principle involved in the Smith-Hughes Act, namely, that the States shall match dollar for dollar the money provided by the Federal Government in aid to the States.

Mr. COX. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Georgia.

Mr. COX. The gentleman just stated there was no evidence given to the committee to justify an expenditure in excess of \$6,000,000. Does the gentleman recall Mr. John C. Wright, Assistant Commissioner for Vocational Education, appearing before the committee?

Mr. DONDERO. Yes.

Mr. COX. Did the gentleman hear him make the following statement:

I might add one statement, Mr. Chairman, and that is that the States spent up until this past year, 1935, \$3 of their own money for every dollar of Federal money.

Mr. DONDERO. Yes; and I call attention to the fact the testimony also showed that for every dollar of Federal money only \$1.39 was spent by the States. In answer to the question of the gentleman from Georgia, may I say further that when Mr. Wright appeared before the committee and we asked him to justify the \$12,000,000, he substantially said to the committee:

I am here, but I cannot talk.

Mr. DEEN. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Georgia.

Mr. DEEN. I would like to correct the gentleman's statement, and he is making a very splendid speech. He stated that Mr. Wright, who appeared before the committee, could not justify or could not talk about this legislation. Is it not a fact that under the Budget and Accounting Act, heads of departments have to get permission from the President before they may make recommendations under these bills?

Mr. DONDERO. That is possible, if the hearings show it, but I may say to the gentleman from Georgia that so far as it applies to the Senate bill, and so far as I am able to learn, the Senate never even held any hearings on the bill it passed.

Mr. DEEN. I am informed by distinguished Senators that there was no objection on the Senate side, and therefore no hearings were held.

Mr. DONDERO. There were no hearings whatever, and therefore they had no testimony before them on which to base the amount of \$12,000,000, and to run this up from \$3,000,000 to \$12,000,000 means an increase of 300 percent in 1 year. The committee did not think this was wise, and I believe the amount is entirely in excess of the requirements.

So far as it affects my own State, I have searched the records and have found that in my own State of Michigan we have 222 schools teaching agriculture.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman from Michigan, 2 more minutes.

Mr. DONDERO. In the 222 schools, I find that nearly 47,000 of our young people have found not only instruction but benefit. This particular instruction has touched 1,250,000 people of the Nation, mostly young people graduating from high schools. It has aided the boys and girls on the farm and in the city alike. This bill and the underlying principle of the bill reach into the homes of the people of the cities, those who live in nonfarm homes, and reaches out into the country in the most remote recesses, and gives aid and benefit to the young people of the Nation.

I have a very interesting statement here from my own State, with regard to the benefits of this form of legislation

principally to the young people, and I want to read from the Michigan State Farm Bureau a brief paragraph written to me April 30, 1936, in which that bureau says:

At the present time in Michigan, there are approximately 3,000 young farmers who have graduated from the agricultural departments of the high schools in Michigan. I desire to report to you that vocational agriculture is quietly and effectively changing the type and caliber of the men who now run our Michigan farms.

And what I can say about Michigan, undoubtedly every Member of the House can say about the young farmers in his State.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 2 more minutes.

Mr. DONDERO. One statement further:

There can be no greater testimony to the effectiveness of this work, than when I tell you that a questionnaire to these young people composing the Farm Bureau Junior League indicates that better than 75 percent are graduates of vocational agriculture and that of this 75 percent but 10 percent have indicated a desire to leave the farm should an opportunity arise.

I think if nothing was before me except this statement showing a desire on the part of the young men and the boys of the country to stay on the farm, this would be sufficient alone to warrant my support of the legislation.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Does the gentleman, who, I understand, is a member of the committee, have anything in the RECORD to support the contention recently made that this vocational work closed one of the large industries in my particular district of the State of Michigan?

Mr. DONDERO. No such information was before the committee.

Mr. CRAWFORD. The gentleman knows the case to which I refer?

Mr. DONDERO. I do not think I do.

Mr. CRAWFORD. The charge was made by our Governor that vocational education funds were used for the purpose of closing a large industry at Portland, Mich., throwing out of employment some 600 people. I have been very much concerned about it, because I have been a friend of this legislation and have spoken in behalf of it, but at the same time I wanted to find out from the gentleman if he has found anything in the records which supports the alleged claim that this vocational education fund is being used for the purpose of closing industries in the State of Michigan.

Mr. DONDERO. No such information has reached me and neither has any such information come before our committee, I will say to the gentleman.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. JOHNSON of Oklahoma. I simply wish to observe that the gentleman has made such a splendid argument, he has convinced me we ought to adopt the Senate bill rather than the House bill.

Mr. DONDERO. Let not our enthusiasm run away with the Treasury of the United States. Let us keep our feet on the ground.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. HOUSTON. I am in favor of the legislation, but I wonder if the gentleman thinks that \$6,000,000 is sufficient to carry through the program. Was there any evidence presented to the gentleman's committee that this would not be enough money?

Mr. DONDERO. I will say to the gentleman that this is an increase of 100 percent over the appropriation of last year and we feel that an increase of 300 percent is far in excess of any requirement presented to our committee.

Mr. HOUSTON. How does this affect the hundreds and thousands of young men and women roaming around the

country out of employment? Do they participate in this fund?

Mr. DONDERO. I do not think they could all be absorbed. [Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. DONDERO. But I think a part of them could be absorbed if they sought aid under this particular kind of program.

Mr. HOUSTON. Just how would it work?

Mr. DONDERO. That is a matter of set-up in the various States, the Federal Government simply cooperating with the States in their program.

Mr. HOUSTON. I am very much in favor of the program.

Mr. CITRON. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. CITRON. Section 6 of the House bill is the protective clause against utilizing any vocational money for services of vocational trainees for private profit. Has the Senate bill a similar protective provision?

Mr. DONDERO. No; not in any way.

On page 3 you will find in the Senate bill provisions which include public and other service occupations. Testimony before our committee established a situation where that identical thing occurred in which individuals were trained for the purpose of giving aid to enhance private profit. That provision—section 6 of the House bill—is to preclude public money being used for that purpose.

The Senate bill does not include that safeguard. Let me make one more observation. I have before me a letter from the superintendent of public schools in Pontiac, Mich., in which he says:

Here in Pontiac, where the training of boys for the automotive industry is of such pressing importance, but where local ability to finance the needed extension of vocational training is so restricted, the provisions of the bill would make possible a splendid service to our youth.

That is signed by James H. Harris, superintendent of schools.

Mr. MASSINGALE. Will the gentleman yield?

Mr. DONDERO. I yield.

Mr. MASSINGALE. In the hearings before your committee, was there any evidence to the effect that a large number of vocational-training schools had to close throughout the Nation for lack of funds, and that that is the reason why the Senate increased the amount?

Mr. DONDERO. I think the Senate bill was passed before the House had concluded the hearings and before the bill was reported for consideration.

I can say that the testimony before our committee was most conclusive; that the gentleman's State of Oklahoma had received tremendous benefits from the funds allocated to the State of Oklahoma under this form of legislation, keeping many people off the relief roll.

Mr. MASSINGALE. I grant that, but the gentleman has not quite answered my question. I know that in Oklahoma dozens and dozens of vocational training schools had to close because the appropriation was not sufficient for them to carry on.

Mr. DONDERO. It is possible that the demand of the schools in your State was greater than the allocations of funds. I am not satisfied that this will be a panacea for all ills.

Mr. MILLARD. Will the gentleman yield?

Mr. DONDERO. I yield.

Mr. MILLARD. What is the provision as to how the money shall be divided?

Mr. DONDERO. It will be divided in three ways, which you will find in section 1 of the bill. Six million dollars each year for 3 years, beginning July 1, 1937. One-third in proportion—farm population bears to the total farm population of the United States; one-third in proportion to rural population; one-third in proportion to non-farm-population States to match amount.

Mr. MILLARD. How much would New York State get out of that?

Mr. DONDERO. I am not able to go into the detail of that. I hope the House bill will pass; we could not spend that amount of money to any better advantage.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. GREENWOOD. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I take it that there is no serious opposition to the adoption of the rule. If I sense the feeling of the membership, it is that the most of us, if not practically all of us, are very much interested in the enactment of the pending bill or legislation of that type. Probably the only controversy that will arise will be over whether or not the Senate bill be substituted for the bill reported by the House committee, which is the bill that the pending rule is intended to make in order. I desire to go directly to the argument of our distinguished colleague, the gentleman from Michigan [Mr. Dondero], who has just addressed the House, in which he opposes the substitution of the Senate bill upon the ground that there was nothing by way of evidence submitted to his committee indicating a need for the money. I have made some little investigation of this subject matter, and I say to you that the information that I have obtained is that there is very great need for the money authorized to be appropriated in the Senate bill, because there are a great many people anxious for the training this activity provides, who have no hope of ever obtaining it with the money provided in the House bill. The present need is greater than it has ever been before. The records reveal that 1,129,000 students are now enrolled in vocational-education classes in the United States. A recent check-up in the various States reveals that more than 5,900 rural high schools in the United States need vocational education in agriculture, and, it should be understood, this bill provides for vocational education in agriculture, trade, and industry, and in home economics. It is conservatively estimated that if funds were available more than 6,000,000 people would be reached in vocational education.

The situation in Arkansas is typical. In that State at the present time there are 478 rural consolidated high schools, in which 110 departments of vocational agriculture are maintained under the present funds. There are on file 200 applications for additional departments in the State office of Arkansas at the present time. For the benefit of people coming from the larger cities it should be understood that the fund authorized to be appropriated by this bill is not to be expended wholly or entirely in rural communities but that it goes to the equal benefit of those and to an equal extent for those living in the cities. The greatest school of this type which we have in the country is the one located at Buffalo, and while it is probably the largest of this type of the city schools nevertheless it is typical of all the rest. The time at my disposal is not sufficient to enable me to develop in detail the argument that I would like to make to support the proposition that there is need for the funds provided in the Senate bill. I think we would commit a very serious mistake in not accepting the Senate bill in lieu of the House bill. It is a bill that my colleague, Mr. DEEN, of Georgia, introduced, and it is the bill upon which the hearing was had by the committee. Congress, in this kind of legislation, has done and is seeking to do something for the working people who are ambitious to improve their own opportunities and condition. This is an activity that does something for working people, something for the boys on the farm, something for country girls, something for ambitious and poor laboring boys in the cities. Let us render the finest service that it is possible for us to render to this very deserving class by substituting the Senate bill for the House bill when the opportunity offers itself in the consideration of the House bill.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes.

Mr. JOHNSON of Oklahoma. I was interested in the statement the gentleman made in reference to the number of applications for such vocational schools in the State of Arkansas. Has the gentleman the figures for the entire United States, and particularly for the State of Oklahoma?

Mr. COX. Mr. Speaker, I am sorry that I have not the figures for the entire country available here at hand, nor do I recall the figures for the State of Oklahoma; but Arkansas, I may say to the gentleman, is typical of all the States, and it is not the rural agricultural States alone that are interested, but States like New York.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes.

Mr. SIROVICH. As I understand the debate, the House bill makes it mandatory for every State to match the amount of money the Government gives. Does the Senate bill do the same?

Mr. COX. The Senate bill provides that for the years 1937, 1938, 1939, 1940, and 1941, I believe, the States shall contribute 50 percent of the amount contributed by the Federal Government; for the year 1942 they shall contribute 60 percent—that is, the States or the local communities—and for the year 1943, 70 percent; for 1944, 80 percent; for 1945, 90 percent; and thereafter an equal amount.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. GREENWOOD. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. TERRY. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes.

Mr. TERRY. I am very much interested in the splendid statement made by my colleague. I know that in my State of Arkansas a number of schools in various counties will not be able to have this vocational work unless the Senate bill is adopted.

Mr. COX. That is very true. With respect to my own county, which is an agricultural community, there are two or three schools in which vocational training is carried on, but there are other schools wanting the service. Let me say this to you: I have seen the effect of the work of these vocational teachers and what they have done with boys and girls in my home county.

Mr. McCLELLAN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. McCLELLAN. Were the figures which the gentleman gave with reference to Arkansas the number of applications pending that are not now receiving aid?

Mr. COX. Now in the State offices there are pending 200 applications.

Mr. McCLELLAN. Which are not now receiving aid?

Mr. COX. And cannot be accommodated.

Mr. McCLELLAN. Now, if we do not substitute the Senate bill and only make an appropriation of \$6,000,000, as provided by the House bill, then those applications cannot be taken care of?

Mr. COX. They cannot be taken care of, because you will understand that \$3,000,000 of the \$6,000,000 has already been allocated; that is, contracted.

Mr. McCLELLAN. And that is true with reference to the other States of the Union, with reference to applications pending? They cannot be taken care of either?

Mr. COX. That is very true.

I want to complete the statement I started to make a few moments ago. It is not only Arkansas, Alabama, and Georgia and the other agricultural States that are benefited, but it is the great populous communities, like the great city of New York and others.

The SPEAKER. The time of the gentleman from Georgia [Mr. Cox] has expired.

Mr. RANSLEY. Mr. Speaker, I yield 7 minutes to the gentleman from Kansas [Mr. GUYER].

Mr. GUYER. Mr. Chairman, I am in favor of the legislation now before the House. I believe that the money

expended in such a worthy cause is most commendable, and I am heart and soul in favor of the objects of this act and what it will do for the young people of the country.

I wish to speak briefly, however, upon another subject, and I ask the indulgence of the House while I digress from the subject of this debate in order to bring to the attention of the House a matter which is very likely to be of profound consequence to this country during the coming summer.

The matter to which I refer promises to assume the gravest proportions in certain areas of the country and it has nothing whatever to do with the favorite seasonal sport of this year—politics.

For several years, and notably 2 years ago, certain parts of the Central Western States have been devastated by a pest of grasshoppers. All at once they have appeared in alarming numbers in the valley of the Kaw or Kansas River just west of Kansas City, Kans. Here 6,000 acres of land devoted to truck gardens are threatened with certain destruction. Only immediate succor will prevent the loss of over a million dollars' worth of vegetables which supply the Kansas City (Mo.) and Kansas City (Kans.) markets. This has not happened in the Kaw Valley since 1874.

The Secretary of Agriculture told me Saturday morning that no funds were available for this purpose and no bait or poison mash available for the purpose of fighting this plague. This bait, which consists of a mixture of bran, sorghum, or other similar sweet liquid, and paris green or other arsenical poison, is scattered over the gardens or fields affected to the degree of about 50 pounds per acre. These truck gardeners have exhausted their credit to finance seeding and planting, and any aid that will help them must be immediate; but so far neither myself nor the Kansas Senators have found the source of any immediate relief.

However, we are still seeking some accessible funds so that these hard-working people may proceed with their work of supplying the markets of the two Kansas Cities and other places with fine vegetables. This valley of the Kaw is as rich as the Nile, but the grasshoppers at this time threaten to absolutely devastate the whole area devoted to the production of vegetables for market.

Before this Congress adjourns it should appropriate from \$250,000 to a half million dollars, making it available to the Secretary of Agriculture to combat the scourge which at this time threatens to destroy the products of this highly developed land. Should we fail to do this there is a highly probable necessity of calling a special session of Congress to enact legislation to protect the farms and gardens of the country from the blight of grasshoppers.

A wide area, which I saw mapped at the office of Secretary Wallace, will be subject to these pests, and on account of the dry season may assume gigantic proportions before the summer is over. If we should adjourn before this money is appropriated we may have to be called back, as I have said, to deal with the emergency this situation threatens. Montana, the Dakotas, Minnesota, Nebraska, and other Western States are threatened.

This money should be made available for use by Secretary Wallace to meet this situation if and when it arrives. I introduced a joint resolution last Friday, providing for an appropriation of \$20,000 to meet the Kansas situation at once. These producers are small farmers and depend upon their gardens for a livelihood. The failure of their gardens on this land of the Kaw bottoms would mean destitution for hundreds of families who operate these truck farms. Congress has the power to aid these people, and it is comparatively a simple matter to kill these pests with poison bait; but the producers cannot themselves furnish the poison bait. The Government in exterminating the pests there at Kansas City will prevent the spread and propagation upon wider areas.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. GUYER. I yield.

Mr. HOUSTON. I will agree with the gentleman and support his bill if he will include therein the eradication of the bindweed.

Mr. GUYER. They have remedies for the bindweed. It is a terrible thing and it is becoming a great scourge.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. GUYER. I yield.

Mr. SIROVICH. What is the chemical formula of the poison bait?

Mr. GUYER. It is bran, sorghum, and paris green. I have used it myself on my alfalfa fields, and it is absolutely effective. It requires about 50 pounds to the acre.

Mr. SIROVICH. Does it not poison other animals?

Mr. GUYER. No; it does not. It is so thinly distributed and so little arsenic in it that no domestic animal would be injured by it. It probably might poison birds if they would get enough of it, which is very doubtful.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. GUYER. I yield.

Mr. MEAD. Is it not possible, in view of the fact that this is a small project, involving the expenditure of only \$20,000, that it might be taken care of by some existing agency? For example, the W. P. A.?

Mr. GUYER. W. P. A. requires that 90 percent of it shall be spent for labor. That would not be the case here. We went all over that.

Mr. MEAD. Is there not any possible relief from the State of Kansas itself, through the Governor or through existing laws?

Mr. GUYER. I think possibly there might be, though I know nothing about that. There probably will be, but that remains to be seen.

Mr. RANSLEY. Mr. Speaker, I yield the balance of my time to the gentleman from Alabama [Mr. HILL].

Mr. HILL of Alabama. Mr. Speaker, I deem this measure one of the most important that has come before this Congress. We must confess that the old day is gone, and with the passing of the old day we have witnessed the passing of the old systems. One reason we find ourselves at this hour in the throes of the depression is the fact that some years ago we did not have the vision to see that the old systems were passing and that with new, scientific methods and modern technology they had to go. Not recognizing these facts, we failed to educate and to prepare our people for the new, scientific, technological day in which we live.

Mr. Speaker, the bill under consideration would provide funds for education in agriculture, for education in the industries and the trades, and for education in home economics. The farm population of this country has increased during the depression by some 20 or 30 percent. Thousands of men who went into our cities to work in the shops and industries have been forced back on the farms. These men have got to be educated and trained through vocational education to make their own livelihood. In the cities we find millions of men walking the streets, thrown out of jobs on account of machines. These unemployed have got to be trained for new vocations and new trades.

We have been spending billions of dollars for relief to the unemployed and those in distress. Why should we not today authorize the appropriation of \$12,000,000 in an effort to get at least some of these people back to work? The good American citizen does not want relief, does not want a dole; what he wants is the opportunity to make his own livelihood. While we are spending billions of dollars on relief we ought to be able to spend \$12,000,000 to help train and educate these people to make their own living.

It is conservatively estimated that there are in this country today at least 6,000,000 people who would take advantage of vocational education if they only had the opportunity. There are some 9,300 rural schoolhouses scattered throughout the country that want and need to offer courses in vocational education, and which would do so if they could only get the funds necessary to carry on the work.

The record shows that under the vocational-education program 80,000 farm boys, that is, future farmers of America, have taken vocational agricultural courses and have participated in the rehabilitation and readjustment of their farm family problems. Boys and girls, in city and in country, have

been training and preparing themselves to earn their daily bread and to play their part as citizens and in the work of the world.

Mr. GREENWOOD. Mr. Speaker, I yield 1 minute to the gentleman from Alabama.

Mr. HILL of Alabama. Of the thousands and hundreds of thousands of dollars the Federal Government has expended during these latter years in the State of Alabama, nothing has done more for our people, nothing has proved more beneficial than the help given in vocational education under the wise and able leadership of Dr. J. B. Hobdy of our State department of education. Through our vocational-education program we are helping the men and women of Alabama to find themselves, to readjust themselves, to see and to obey the economic traffic lights; and we are helping them to come back and to earn their own livelihood. Let us appropriate the \$12,000,000, for "where there is no vision the people perish." [Applause.]

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Speaker, I yield the balance of my time to the gentleman from Georgia [Mr. DEEN].

Mr. DEEN. Mr. Speaker, it is impossible to give a history of the legislation in this brief time, but I do want to call the attention of the House to a few facts. The pending bill, H. R. 12120, was considered by the Committee on Education of the House in its original form as the bill H. R. 10190. The committee held hearings for 2 or 3 days; and it is illuminating and interesting to read the hearings and to find that in one community in the State of Arkansas last year it was testified to by a representative of vocational training in Arkansas that 250 beef cattle were canned in that given community, and 50,000 pounds of fruits and vegetables were canned in a vocational training school and community, and that not a person in that community had been on relief at any time in the past 3 or 4 years. It was also testified to by a representative of vocational education from my own State that in one of the communities in Georgia last year a sufficient amount of fruits, vegetables, and meats were canned and preserved to take care of the people during the winter, and that not a person in that community had been on relief any time since 1933. This is due to the work of vocational training and vocational education.

It was interesting to me to note that in the hearings it was developed that there are approximately 8,000,000 people in the United States today who would like to have training in vocational education, either in agriculture, or in the trades and industries, or in home economics.

I call the attention of the Members to pages 24 and 25 of the hearings, where is shown the distribution of the vocational-education funds supplied under both the George-Ellzey Act and the Smith-Hughes Act. It will be found that one-third of the money has gone to vocational training in agriculture, one-third to vocational training in the trades and industries, and one-third to training in home economics.

I call the attention of the House also to page 60 of the hearings, to a statement by Mr. Wright, a representative of the vocational-education office in Washington. When the chairman asked if there were any further questions Mr. Wright said:

I might add one statement, Mr. Chairman, and that is that the States spent, up until this past year, 1935, \$3 of their own money for every dollar of Federal money.

Mr. Speaker, as I say, the pending bill (H. R. 12120) originally was H. R. 10190, the bill considered by the committee, and identical with Senate bill S. 2883, which has passed the Senate. I hope the membership of the committee and of the House will at the proper point substitute the Senate bill for my bill. [Applause.] I have no pride in authorship, but I am concerned about the destinies of 8,000,000 to 10,000,000 people who are on our hands but who want to get on their own feet. The only way to get them off the hands of the taxpayers is to put them on their own feet and the best way of getting people off of relief and keeping them off is to give them some training in a profession or business that will enable them to make a living. No American with pride, and most of them have pride, wants to be on relief.

They want work and they are entitled to it.

Mr. Speaker, at the proper time, when the Senate bill is offered as a substitute for my bill, I hope that the House will adopt it.

Mr. BEITER. Will the gentleman yield?

Mr. DEEN. I yield to the gentleman from New York.

Mr. BEITER. The gentleman has given some very illuminating figures and I want to point out some interesting figures, also. Out of 6,217 who will graduate from the public elementary schools of Buffalo this June, some 2,259 have signified their intention of taking up this vocational work.

Mr. DEEN. I thank the gentleman.

Mr. MILLARD. Will the gentleman yield?

Mr. DEEN. I yield to the gentleman from New York.

Mr. MILLARD. What is included in home economics?

Mr. DEEN. Does the gentleman mean what is meant by home economics?

Mr. MILLARD. Yes.

Mr. DEEN. The canning of fruits, vegetables, and so forth; teaching of sewing, cooking, and so forth.

Mr. Speaker, I want the Members of the House to note this, and I am sure they are entitled to the information. The Committee on Education of the House after several executive sessions reported my bill which calls for an appropriation of \$6,000,000 for each of the 3 years beginning on July 1, 1937, and including \$6,000,000 for each of the fiscal years 1938 and 1939. It was in the form of a compromise bill. I did not vote for the \$6,000,000. I did not vote for my bill. I wanted \$12,000,000, the same as is provided for by the Senate bill, and I believe my colleagues on the committee know that. I am not bound to any other agreement by anyone in committee, and neither is anyone else bound. [Applause.]

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The resolution was agreed to.

THE LATE RANDOLPH PERKINS

The SPEAKER. The Chair wishes to state to the Members of the House that the name of the gentleman from New Jersey [Mr. KENNEY] was inadvertently omitted as a member of the committee appointed to attend the funeral of our deceased colleague the gentleman from New Jersey [Mr. PERKINS]. The Chair now announces the appointment of the gentleman from New Jersey [Mr. KENNEY] as a Member of the committee in addition to the members already named.

EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to quote therein the evidence of Mr. Hazen and Mr. Parker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE YOUTH PROBLEM IN CRIME

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech made by Edgar Hoover to the Boys' Club in Philadelphia.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, under leave to extend my remarks, I insert the following address by John Edgar Hoover, Director, Federal Bureau of Investigation, United States Department of Justice, before the Thirtieth Annual Convention of the Boys' Club of America, Philadelphia, Pa., 9:15 p. m., May 20, 1936. This speech should be read to or read by every boy and girl in America. It should also be read by every father and mother.

In appearing before you, the patrons and supporters of the Boys' Clubs of America, I hope that I am addressing the entire country. The problems of youth in crime which I shall discuss are not limited to sectional or local boundaries—they reach from border to border and coast to coast. They disclose a malign threat over every

home in this Nation. They reveal a tremendous responsibility which should be undertaken by our every citizen. They are the problems which confront us because of the awful fact that a great part of today's crime is committed by our youth.

WHY CHILDREN COMMIT CRIMES

We have youth in crime because we have failed to provide youth with proper outlets and upbringing. Only in the rarest instances of diseased minds can we say that the first offender commits crimes out of sheer antisocial sentiments. Children are driven to crime because of deep-laid faults in society such as poverty, degeneracy, and because their elders neglect them.

When youth commits a crime, generally it is because older persons have committed a greater crime; it is because of laxity in early discipline; because of apathy on the part of parents and neglect by those of the community who should help the helpless; because of distorted views held by those who should know better and who have allowed adolescent minds to take a downward direction which can lead only to destruction.

TWENTY PERCENT OF CRIME COMMITTED BY THOSE UNDER VOTING AGE

Today, as you know, 20 percent of our crime is the work of persons who have not yet even reached the voting age. This means that one-fifth of all murders, of arson, thievery, robbery, and the other malignant outrages against our commonwealth are committed by persons of immature bodies and immature minds, persons who should be reaching the threshold of useful life. However, this 20 percent falls tragically short of the ideal of American citizenship. It is not a pleasant picture. It is not a healthful outlook. It is not a normal condition when a nation such as America must bow under the disgrace of a set of circumstances in which one-fifth of our most deadly outlaws, our murderers, our machine-gunning desperadoes, are little beyond childhood. It becomes incumbent upon all of us, therefore, to recognize and admit the causes for such scandalous conditions, and, reaching beyond, to search for the means by which they may be remedied.

CAUSE OF DISRESPECT FOR LAW

I believe that a prime factor in the disregard by youth for law lies in an equal or greater disrespect for law and order on the part of the adult of our generation. Seek to evade it though you may; seek to apologize; seek to excuse yourselves; nevertheless, upon the shoulders of grown-up America rests the burden for this condition. You may allege that youth has made a hero of the gangster. I insist that no youth ever developed a heroic ideal that was not first centered about his father or his mother, and when the youngster begins to show disrespect of law and order you can be sure that he learned something of that attitude at home or because those in his home failed to keep him in the right company and isolated from bad examples.

BOILING POT OF UNDERWORLD

I have only to look at the stack of mail upon my desk since the capture of Alvin Karpis, Harry Campbell, William Mahan, and Thomas H. Robinson, Jr., to realize that these blots of scum from the boiling pot of the underworld were looked upon by many persons as worthy of emulation. These correspondents express sorrow for the "poor" kidnapers, and regret that they must be placed behind bars. This is what usually happens when the Federal Bureau of Investigation eradicates what I prefer to call not "public enemies" but "public rats." Each of them has his audience like a motion-picture star; each of them has his public; each of them has his great gathering of sentimental yammerheads, who utter remonstrances at his apprehension and detection. So long as that asinine behavior continues, I insist that the crime problem, as affects youth today, is also a crime problem involving the moronic adults of this country, who, through ill-considered actions and idiotic idolatry of cowardly outlaws, develop an ever-increasing tendency toward crime by the youth of America.

COMBAT INHERENT CRIMINAL WORSHIP

Our first problem, therefore, is to change this mistaken attitude; to carry on a campaign of education through which the unthinking American shall be forced to realize his disgrace in looking upon men of desperate crime as anything other than what they really are—the lowest dregs of society. This can be accomplished. Indeed, I take pleasure in informing you that while thousands expressed sorrow at the eradication of Dillinger, only hundreds lamented the capture of Alvin Karpis or Campbell or Mahan or Robinson. Our job is to steadily reduce that number until such maudlin sentiment is nonexistent. Once this is done, we truly can throw our every effort into keeping boys and girls out of jail. We must work with a dual purpose, never failing to realize that while we combat the growth of criminal instincts in youth, we also must combat the inherent criminal worship in many of our men and women.

BUILDING NEW VIEWPOINT

We of the Federal Bureau of Investigation are constantly working toward not only the capture and conviction of the enemies of society, but toward the building of a new viewpoint which we hope will result in fewer violators of the law. It was toward this end that sometime ago, with the assistance of the law-enforcement agencies of America, we began the compilation of crime statistics, not as mere figures, but as guideposts in our endeavor to combat the degradation of otherwise good citizens. We have no desire to be known solely as hunters of men; we would much rather be looked upon as preventers of crime.

PRIDE IN HONESTY RATHER THAN WORSHIP FOR GANGSTER

Behind the spectacular efforts of the Bureau in its necessary campaigns against the more desperate of our outlaws lies the never-failing desire to build a barrier between the law and its violation. We have no happier days in the Federal Bureau of Investigation than when vast throngs of boys under the guidance of friendly special agents are taken through the big building and are shown how we operate. We hope our young visitors will take pride in honesty rather than worship for the gangster thereafter. We hope to see the day when every law-enforcement officer in America will realize that the best weapon against crime is a feeling of confidence and friendship upon the part of every boy and girl in his neighborhood.

SPECIAL AGENTS CAREFULLY SELECTED

It is our ideal to possess in the 37 nationally distributed field divisions of the Federal Bureau of Investigation a type of special agent whose history has been traced almost from babyhood to assure us that he is an upright, honest, courageous citizen. We are gratified that our files contain numerous letters from boys throughout America who want to so live that they, upon reaching maturity, can fulfill these obligations and become candidates for positions in this organization. I earnestly hope that the time will come when every local law-enforcement agency in America can arouse the same ambition in the boys of its community.

GROWTH OF CRIMINAL TRACED

Now, let us try to trace the growth of a criminal. True, there are instances where the following conditions do not apply. Their divergence, however, only proves the rule. All too often we find that the 18-, the 19-, the 20-year-old offender has come from a family where selfishness is predominant. It may take the form of incompatibility leading to the divorce of the parents. It may be that parents are concerned only with their own pleasures, leaving the youth to drift as he will. Or it may be that they are poverty-ridden, ignorant people, not realizing their responsibilities. No matter what the foundation may be, it is almost inevitable that the attitude of the parents has a great bearing upon the future of the young criminal. We find that he has mixed with street-corner gangs at an age when his every attention should have been upon the furtherance of his education. We find, for instance, that practically every one of these public rats—"Baby Face" Nelson, John Dillinger, Alvin Karpis, "Pretty Boy" Floyd, and numerous others—started their career of crime when they were little more than children, reared in neglect and poverty. We find them engaged in petty thefts, stealing tires from automobiles, acting as runners and delivery boys for bootleggers, engaging in robberies with older men at such ages as 14, and 15, and 16, a time at which, in the older and more conservative days of America, parents were accustomed to hold serious talks with their boys about their future, instilling into their immature and pliable minds the desire for honorable careers, for achievement, for accomplishment, for a future of honesty and worth-while endeavor. But these boy criminals and thousands upon thousands of others like them were allowed to drift.

Without remonstrance, they were permitted to gather in surroundings and companionships which bore no other possible future than that of outlawry. The saloon, the tavern, the pool hall, the gang at the corner, were places prohibited to the average youth, and infraction of these rules received well-deserved punishment. The sentimental theorists who dominate present-day child guidance, however, believe that if a child is chastised, it may develop an inhibition or affect its later self-expression. So long as we fail to recognize that discipline is an essential part of human development, just so long will we have an aimless, directionless milling of the herd which can result only in mental panic and a thorough disregard for the rights of society to peace and order.

RESURRECT STANDARD OF DISCIPLINE

It is time for America to resurrect that standard of discipline which did much to give this country its rugged, stalwart honesty of purpose, its determination, its achievements. I refer to that parental discipline and guidance which did so much to create law-abiding, successful, and forward-looking citizens. Today, however, that old-fashioned standard has been transformed into the wine card of the cocktail bar; into the sapient belief that an immature mind can be granted utter freedom of action without disastrous results. Its lesson has been supplanted by the dangerous one of the roadside tavern, the parked automobile upon a lonely road, by the constant apathy-engendered desire to have everything which youth wants, inevitably leading to a desire on the part of youth to get what it wants by fair means or foul.

I hope you look upon me as old-fashioned in the enunciation of such beliefs. I much rather would be old-fashioned than to have upon my conscience the knowledge that some boy or some girl is condemned for year after year to live in the fetid atmosphere of a prison cell block, identity destroyed, future forever marred, possibility of good citizenship severely blighted.

MUST CONVINCE YOUTHS WHY CRIME DOES NOT PAY

Therefore, to return to our young criminal, we find that our youth has been handicapped from the beginning—that he had a bad start for which he is not responsible. If we try to tell youth today that crime does not pay, we are confronted with the question of why it does not pay. If we answer that the price of crime is prison, youth answers that it is easy to get probation, a pardon, or a parole. Youth, in spite of all its imagination, is literal. Youth is factual. Youth possesses a certain clarity of vision which often is lost in the more mature mind. One child in a neighborhood, who has learned the fallacy of our all too often maladministered

law enforcement, can become a professor of law evasion for a hundred other neophytes in crime.

Do not for a moment think that youth today knows nothing of the tricks by which it can avoid punishment. You must remember that civilization as it exists today is in direct conflict with the guiding impulses in the days of the cave men. Law as such is an artificial barrier reared by society for the protection of all against individual desires for the gratification of greed. Once we fail to teach reverence for these laws from infancy onward, and the reason for them, then indeed have we a recalcitrant and rebellious being whose very instinct inclines him toward crime.

FROM REFORM SCHOOL TO PENITENTIARY

So what happens when youth, hampered by a lack of parental guidance, indulges in his first infraction? He receives the benefit of that most necessary and most laudatory system, known as probation. It is right that he should have probation. It is a crime for any child upon his first offense to be incarcerated without a chance to reform, always excepting the very rare antisocial degenerate. But under our maladministered system, we find that often the probation officer is ignorant; that he sometimes is himself a criminal; or that he is merely a political panderer willing to debase the most sacred of tasks—that of the protection of our youth—merely to keep a job.

And so in this modern pilgrim's progress toward the inevitable slough of despond, we find our child criminal sunk deeper and deeper, first through poorly administered probation, then into reform schools which are not reform schools but crucibles wherein boil the worst instincts of humanity and where innocence vanishes and insolence takes its place. We find him educated, step by step, not in law obedience but in law avoidance. We find him traveling from the reform school to the reformatory, from the reformatory to the prison with rarely a thought toward his true reformation but always with the association of the vicious, the foul-minded, and the dangerous older criminal. At last he himself becomes a professor of crime, and he, like others, carries on his recruiting in an ever-widening circle which at last has brought us to the degrading position wherein each year in America 12,000 human beings—approximately one-fourth of those killed in battle during the World War—die by murder. Each year, the army of those who suffer from major crimes in the United States equals about one-third of the entire number of enlisted and drafted men who were summoned to protect America in the most crucial hour of our recent history—the World War.

POTENTIAL MURDERS AND VICTIMS

Furthermore, if our army of potential murderers and potential victims of murder were to be gathered into battalions and regiments, they would outnumber the peacetime Army and naval forces of the United States by more than 200,000. If our entire band of criminals who operate constantly throughout the United States and against whom the law-enforcement agents of America are engaged in endless battle were to be assembled in one municipality, it would be almost double the population of Philadelphia (1,950,961).

PRESENT-DAY CRIME PICTURE IN AMERICA

Take that thought with you as you drive along the streets of your home city. Think of what it would mean if block after block, traffic light after traffic light, boulevard after boulevard, office building after office building, residence section stretching into other residence sections and beyond that into suburbs; if all of these should be peopled by robbers, by thieves, by firebugs, rapists, desperadoes, and murderers. That is your present-day crime picture in America. Go further and remember that one-fifth of all of these—in every fifth house—would live some youth who should be looking forward to a life of accomplishment and worth-while purpose, but who is doomed to be nothing but prison fodder.

THE CRIMINAL ROAD TRAVELS DOWNWARD

What is the answer? The only answer can be that this condition constitutes a national crisis calling for a reawakening of our patriotic instincts. It demands that we give of our time; that we give of our energy; that we contribute our best thought and endeavor toward the wiping out of conditions by which such an emergency is created. It means that our children must be taught that adventure lies not along the road of violation but that there are adventures in honest endeavor—greater ones, laudable ones, happy ones.

They must be taught that there is only one road in the world of crime and that road travels downward to the swamps and morasses of suffering. They must be shown the true character of the criminal—that law infraction can lead only to disillusionment, to the weakening, physically and morally, of anyone who follows its teachings. They must be taught that a great career lies before them—more exciting than that of any criminal's life—the career of law enforcement. They must be urged to fight for honesty and the thought be instilled within them that they are crusaders; the volunteers in a new battle for American character and integrity. They must be inculcated with a new political economy—the economy of political honesty.

POLITICS SHOULD NOT BE ALLOWED TO INTERFERE WITH LAW ENFORCEMENT

I would like to say at this point that I am not a critic of our political system. Our country lives by that system. It has prospered by it. In the final analysis our greatest men—Washington, Jefferson, Lincoln, and all such national figures—were in politics.

However, there is a sharp line of demarcation between the man in politics working always with America uppermost in his thoughts and the politician who thinks only about his job and cares not how he gets it. It is to this latter influence that much of today's crime problem can be traced.

The political hanger-on who wants a job as head of a police department for what he can get out of it, the crooked or ignorant vote getter, the legislator who impedes law enforcement for private or political reasons, the political parasite who for selfish ends wants to be a warden or a probation officer or a policeman or a detective or a guardian of paroled prisoners, is the type to which I refer. They are enemies of America and of every honest man in politics. They are bringing disrepute upon what should be the most laudable career to which any youth of America could aspire. These are the scuttling rats in the ship of politics, gnawing at its timbers, besmirching its ideals, and doing their utmost to wreck our system of government. Against them the many fine and honorable men who, at a personal sacrifice to themselves, have entered political careers are battling almost in vain. Why must this be so?

Do you believe for a moment that the honest men in politics willingly suffer the degradation which these parasites bring upon them? Quite the opposite. Yet time after time they must stand impotent and watch the very persons whom they despise go before the people with all sorts of fantastic and bombastic schemes and be enthusiastically reelected. I need not say that this statement does not refer to any party or any person. It refers to the American habit of enthusiasm for fine promise and failure to demand solid achievement from political self-seekers. You allow crooked people in your county, your city, and your community to come before you, often flaunting their crookedness, and you vote for them because they are shrewd, because they are clever, or because they know how to be good campaigners, and I submit that no elected crook ever willingly appointed an honest man. The same applies for the ignorant, for the mere office grabber, for the hanger-on, for the panderer, and the man who wants a political position only because it is a job.

Politics should not be concerned with jobs. It should be concerned wholly with principles and careers, and until we offer careers, until we have in Government men and women who have built their lives toward the honorable objective of serving their country in public positions, just so long will we have 12,000 murders a year, 1,500,000 major crimes, and an army of malefactors who could march by this building for days on end without once the end being sighted.

REAL MEN VERSUS DESPERATE CRIMINALS

In this connection I desire to draw a contrast—that of the achievements of boys' clubs under intelligent private direction and the lack of reformation accomplished by the average State institution. One turns out men; the other turns out more desperate criminals. Why is this so? The private institution often works with limited funds and against many obstacles; the State or community institution has heavy appropriations, full-time employees, large buildings, and expansive grounds, yet it can do little more than send forth graduates of crime, who are bound, in many instances, for that larger college known as the penitentiary. The answer is that private institutions are built with a desire for rehabilitation and accomplishment.

The community institution has fallen into the grasping hands of the renegades of our political system, too often diverted to personal ends. That's the word for which I have been seeking—the renegade—the traitor, the vile enemy in our political family which seeks to disrupt our institutions of government; who knives from within; who has only selfish purposes; who is the antagonist of everything that is honorable in our present-day form of government. As such, he is a friend of crime and a barrier to law enforcement. In his constant undermining of the finer ideals of our political system he crawls into our court rooms; he assembles the crooked doctors to change the faces of our outlaws; he telephones the crooked lawyer to be on hand not only for the protection of the criminal but for the planning of the crime; he contacts the crooked aviator, the crooked shopkeeper, the crooked hotel and hideout owner, the criminal gunsmith, and every other member of that undercover army, the support by which crime lives, thrives, and plunders. He sneaks into our reformatories, into our probation system, into our prisons, always with one foul purpose—the realization of personal gain at the expense of the commonwealth. He encourages suspended sentences. He is in the lobby rooms of legislatures to fight against the passage of proper laws for the hampering of criminal activities. He is the whining pleader before the elected judge, who, all too often, must answer to his command that the proper process of law be set aside and a criminal walk free from the court room. This is the man whom every high-minded person in politics abhors. This is the man whom it is our duty as American citizens to eradicate from our political picture, so that the honest man who so often thanklessly strives in your behalf and under the cloud of ignominy may be given a free hand and encouragement in the battle for the sanctity of our political system.

CONSTANT CAMPAIGN AGAINST CRIME

Therefore your campaign as the friend of the boy and girl in crime must be a constant one. We must carry education into the home. We must follow it into the school. A knowledge of the ill effects of crime and the benefits of crime prevention should be required of every school teacher in America. What is the sense of spending hours in teaching our youth the history of America, when many of those boys and girls are doomed to recall that history while sitting in a dank prison cell? Teachers should spend more time

building the future of America, a future which can be made as clean, as high-minded, and as progressive as we, the people, desire it. We need a new viewpoint—not one of sentimentality, but of wise adjudication and administration. We need to know that the problem of crime is the problem of the family, and we need above all things to incessantly instill in the pliable mind of youth the unalterable fact that, seek as it will, try and twist and squirm though it may to beat society at the game of crime, it cannot win. To that end we must have adequate avenues of detection, swift apprehension, and certain punishment. This does not mean that law-enforcement officers are eager to reap a harvest of arrests and prison sentences. Instead the honest law-enforcement agencies of America are eager to see the day when anyone, youth or adult, faced with the temptation of crime, will be bolstered in his fight against it by the knowledge that if he commits this crime he will be punished. There is no country in the world which has the proper law enforcement that also has a real crime problem—the two cannot exist.

PAROLE PROBLEM

We must strike on all fronts, and particularly at the one which today is doing, perhaps, more than any other factor to undermine our national respect for law. I refer to that filth-encrusted scandal, the parole problem. I am not an opponent but an advocate of the wise, intelligent administration of the highly laudable theory of parole. However, I do object, and object most strenuously, to the administration of that system as it is administered in some of our States. Practically every special agent of the Federal Bureau of Investigation who has died on the field of battle against criminals has been sent to his death by a gun in the hands of a paroled convict. I object to the fact that of the 13,010 most desperate, vicious enemies of society listed in the identification files of the Federal Bureau of Investigation 3,734 of them have been touched by the magic wand of parole or pardon clemency. I equally protest against the fact that even the most honest advocates of the parole system have adopted an ostrichlike attitude in attempting to cover up atrocious defects.

Time after time we hear these men, to whom I give all credit for sincerity and honesty of purpose, insist that only a certain percent of parolees fail to live up to their promises. This is the group which brings about our secondary crimes. This is the group which heads our desperate gangs, which commits our kidnappings, our train robberies, our bank hold-ups, and our murders. These are postgraduates of outlawry and professors of crime. These are the select minority which the parole champions dispose of so glibly. These are the men who, like a prisoner in Florida, committed two murders, received clemency for each, then committed a double murder to show how much he was reformed. Or like the man in Montana, who, when paroled, kidnapped the daughter of his benefactor and carried her away to become a white-slave victim in a mountain cabin. Or the man in a Middle Western penitentiary who committed four murders, who was paroled four times, and then graduated into kidnapping. This group contains the John Dillingers, the "Baby Face" Nelsons, the "Pretty Boy" Floyds, and the Alvin Karpises and Barker boys, each of whom piled murder upon murder until he became a national menace.

Against this condition I protest with all the strength in my being, and I say that our penal system cannot come from behind the cloud of disgrace until the sentimentalists and convict-indulging theorists recognize the fact that every time they allow such men to go free upon the streets they are building an example to the youth of America that you can get away with crime; that you can beat our system of law enforcement. I appeal to you as representative citizens of America to fight this problem into the open and to insist that this dangerous policy be sweepingly and constructively changed.

WONDERFUL WORK OF BOYS' CLUBS

To those who loyally and enthusiastically support the boys' clubs of America may I address a few words of admiration and sincere appreciation for the wonderful work which they are accomplishing. The upbuilding of the morale of the youth of our country through these organizations is of inestimable value, not only to those directly benefiting by the operations of the boys' clubs but to each and every individual who loves his country and who is interested in its development and progress. The character and personality development which the boys' clubs of America accomplish will return manifold gold dividends throughout the generations to come. I know of no greater work; I know of no better work; I know of no work better entitled to receive the enthusiastic support of every man and woman interested in law enforcement and our country's institutions.

DEVELOPMENT OF VOCATIONAL EDUCATION

Mr. PALMISANO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12120) to provide for the further development of vocational education in the several States and Territories.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12120, with Mr. ROBERTSON in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. PALMISANO. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I am rather surprised that my colleague the gentleman from Georgia [Mr. DEEN] has taken the floor today and more or less repudiated the pending bill.

In connection with this matter I may say there were three votes taken in the committee. One vote was to appropriate or authorize \$4,000,000, another to authorize \$8,000,000, and the final vote was on the authorization of \$6,000,000. There was no opposition to the bill, as the report shows. There has been no minority report filed.

Following the committee report, the gentleman from Georgia again introduced his bill in accordance with the report of the committee, which is H. R. 12120, now being considered by the House. The gentleman from Georgia then wrote the report of the committee, which speaks for itself.

Mr. COX. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Georgia.

Mr. COX. I am sure the gentleman wishes to cast no unfavorable reflection upon my colleague, the author of this bill. The gentleman has expressed surprise at the attitude taken by the gentleman from Georgia [Mr. DEEN] in the consideration of the rule. May I ask the gentleman if he does not remember that the difference which has developed here today between the gentleman from Maryland [Mr. PALMISANO], chairman of the committee, and the author of the bill, and the gentleman from Georgia [Mr. DEEN] was brought out before the Rules Committee when a rule was requested?

Mr. PALMISANO. Yes.

Mr. COX. Therefore, the gentleman has known since that time at least or all along what the attitude of the gentleman from Georgia was.

Mr. PALMISANO. Not all along. From that time on. I may say that if the gentleman from Georgia [Mr. DEEN] entertained those views at that time he should have so stated to the committee and not appeared before the Rules Committee and conveyed to the Rules Committee an impression to which that committee was unanimously opposed.

I may say further that in my absence I designated the gentleman from Georgia to call the committee together so that a resolution could be prepared for presentation to the Rules Committee. The Members of the House will readily appreciate that if I knew the attitude of the gentleman from Georgia was contrary to what had been agreed to in the committee I certainly would not have permitted him to call the committee together and give him full sway.

Mr. DEEN. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Georgia.

Mr. DEEN. May I ask the gentleman if he is not aware of the fact that in committee and during the hearings I contended all the way through, as the hearings will show, for my original bill which called for an appropriation of \$12,000,000?

Mr. PALMISANO. Mr. Chairman, if the gentleman was not in agreement with the committee, he should have refused to sign the committee report, and he should have presented a minority report to the Members of the House stating that he was opposed to the action of the full committee, even though it opposed his own bill. He should have asked for a substitution of bills. I say when the members of the committee agree and there is not filed a minority report, the Members of the House should stand by the committee or else abolish all of the committees.

When we speak of the Senate bill, we should bear in mind that with all due respect to the Senate they held absolutely no hearings on the measure.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. PALMISANO. In just a minute. I understand they held no hearings, while we held hearings for 3 days. We then considered the bill and did the best we possibly could under the circumstances, and the members of the committee knowing my views on the legislation came to me and said, "We understand your views, but notwithstanding your views on the legislation, you have been fair and honorable and have given a hearing to every member of the committee."

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. PALMISANO. Pardon me, let me finish my statement.

Let me now call your attention to another provision they are adding to the bill with respect to vocational teachers, if you please. They have introduced in the Senate bill a provision whereby they are going to educate the mayors and councilmen and the public officials of the various municipalities, and I say to you that if you adopt this provision of the Senate bill it is the duty of those same gentlemen to come here and teach the Members of the Congress what to do, because they are now going out and asking us to be permitted to teach men who have been elected by the people of their own towns and cities and, if you please, teach their own superior officers, because after all is said and done, if they are going to teach the mayor of New York City or the mayor of Baltimore or Cleveland, why not give them the same right to teach their own Governor, whom they happen to be subordinate to?

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. PALMISANO. Let me first finish this statement.

Let me refer to some of the testimony we heard, referring to Mr. Baumes, whose testimony appears at page 40 of the hearings. He is a gentleman from Virginia and happens to be one of the teachers in public service, and I am asking him a question:

The CHAIRMAN. If the heads of the various departments have had some technical education, should they not be able to instruct their men? Take, as an example, this head of the department of weights and measures that you mentioned; if he is well qualified, would he not be able to instruct his men accordingly?

Mr. BAUMES. You would think so, but we have found that that usually is not true, for several reasons.

Here is a man technically educated to conduct this particular business and here comes along an ordinary teacher who is going to tell him what to do.

Then at page 41, near the bottom of the page, the following occurred:

The CHAIRMAN. Then the teacher would get instructions from the head of the department and then, in turn—

Bear this in mind—

The teacher would educate.

Mr. BAUMES. Yes, sir; you are exactly right.

Is this Congress going to say to a man who is advocating vocational training that we are going to permit them to educate or instruct the mayors and the officials of the municipal governments throughout the State, and they, in turn, go to a particular man to get instruction and then in turn instruct the municipal agents? I say, Mr. Chairman, we are going too far on this proposition, and this is what will happen if we put in the provisions of the Senate bill.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield myself 5 more minutes.

Mr. WHITE. Will the gentleman tell us where that provision is in the Senate bill?

Mr. PALMISANO. Page 3, line 15, which states— including public and other service occupations in such States and Territories.

The gentleman who spoke on this subject and whom I have just quoted is going to obtain his knowledge from the municipal employees, and then, in turn, he would convey it to others. I say, Mr. Chairman, we cannot accept a proposition of this kind.

I may say that on page 4 of the report filed by my colleague the gentleman from Georgia, at the top of the page, it is stated:

S. 2883 also contained the provision that training in public and other service occupations should be included in the amount allotted to trade and industrial subjects. The committee did not accept this provision.

This is the provision referred to by the gentleman whom I quoted from the hearings. I may say that I have not the time now to go over the hearings, but there is another provision here referred to by Mr. Baumes, where Mr. Baumes goes on to say that in Virginia they have been instructing the mayors and the city councilmen, who are elected by the people, and if this principle applies, why not let them instruct us? I think it would be proper and then they could

instruct the Governor of a State, who, in turn, would be their superior officer. I submit we are going far afield on this whole proposition.

Mr. COX. Will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. COX. The gentleman quoted from the bill and made some reference to something in the Senate bill that the House bill did not carry. I presume the gentleman referred to section 3 of the House bill.

Mr. PALMISANO. I am referring to the Senate bill, page 3, line 15, which includes a public-service corporation.

Mr. DONDERO. That is line 6, page 3.

Mr. COX. That is substantially the same as section 1 in the House bill. In other words, are not the two bills, the House bill and the Senate bill, substantially the same, except as to the amount of money to be allocated to the States, and so forth?

Mr. PALMISANO. No; that is not true. In the House bill we eliminate the public service and in the House bill we include section 6, which is not contained in the Senate bill.

There has been a lot of talk and criticism that the money has been used by boys for private gain. In order to prevent that we added section 6, which says:

Sec. 6. No part of the appropriations herein authorized shall be expended in industrial-plant training programs, except such industrial-plant training be bona-fide vocational training, and not a device to utilize the services of vocational trainees for private profit.

That provision is not in the Senate bill.

Mr. COX. That is correct. Section 6 of the Senate bill is substantially the same as section 5 of the House bill.

Mr. PALMISANO. The Senate bill, with the exception of the amount, is identically the same as the House bill, except section 6 of the House bill eliminates the public-service occupation.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MORITZ].

Mr. MORITZ. Mr. Chairman and members of the Committee, I want to say a few words in relation to this bill. In the first place, I was one of the Members who voted for the \$12,000,000. We lost that vote, but we compromised on \$6,000,000. Now, in all frankness and fairness, inasmuch as we agreed to that, why should you try to substitute the Senate bill?

Subsequently it was brought to the attention of the committee that this appropriation was very important, because we found out that of all the money expended for relief, for getting the best returns, this money expended for vocational education gave us the best returns.

Mr. HOUSTON. Will the gentleman yield?

Mr. MORITZ. I yield.

Mr. HOUSTON. The gentleman says there was a compromise from \$12,000,000 to \$6,000,000. Does not the gentleman think that \$12,000,000 would be more proper?

Mr. MORITZ. Yes; but we agreed on \$6,000,000, and we ought to keep our agreement, because if we had not agreed to \$6,000,000 we would not have gotten any bill.

Mr. DEEN. Will the gentleman yield?

Mr. MORITZ. I yield.

Mr. DEEN. The gentleman knows that I did not vote for the \$12,000,000?

Mr. MORITZ. The gentleman knows that I voted for it, and we lost, and we voted for the compromise of \$6,000,000.

Mr. DEEN. The gentleman knows that he voted for the \$6,000,000.

Mr. MORITZ. Yes.

Mr. DEEN. And he knows that I did not vote for the \$6,000,000?

Mr. MORITZ. I do not know about that.

Mr. DEEN. Well, I know it.

Mr. MORITZ. But, at any rate, of the money spent for relief, this has been the best investment we have, because it helps people to help themselves. We found out in States like Oklahoma and Texas that they are being taught how to provide and prepare food. When the Government ordered the cattle to be slaughtered, they were taught to can this meat,

and in that way they saved themselves from starvation. Furthermore, this activity in the school helps the youth of our country do something worth while, as against loafing around in a poolroom and idling their time away, and maybe getting into mischief, as often happens.

Mr. TERRY. And if the gentleman were not on the committee, then he would vote for the \$12,000,000?

Mr. MORITZ. I believe I would; yes. I yield back the rest of my time.

Mr. CARTER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, there has been considerable said here today about the difference between the Senate bill and the House bill. The Senate bill provides for permanent legislation authorizing \$12,000,000 annually. The House bill provides for \$6,000,000 each year for 3 years. The Senate bill provides for a matching by the States up to 50 percent, until 1942, and then graduates that percentage up until it is 100 percent. The House bill provides the same as the Smith-Hughes bill, 100-percent matching by the States, or, dollar for dollar. The statement has been made on the floor this afternoon to the effect that the States contributed \$3 for every dollar contributed by the Federal Government. I have here a letter dated March 14, 1936, signed by Mr. Wright, from the Bureau of Education, directed to me, in which he says that—

To match this expenditure, which was \$4,000,000 last year, from Federal money, as required by the basic Vocational Education Act, the States and Territories expended for the same purpose in this year ended June 30, 1935, the sum of \$5,149,000, or \$1.39 of State and local money for each dollar of Federal money expended.

I quote that simply to show that the States have matched dollar for dollar under the Smith-Hughes Act.

There is one provision in the Senate bill which goes so far that if adopted we will have men receiving their money from the Federal Treasury who have been taught how to sell gasoline, selling gasoline to you at the gas stations; you will have men in grocery stores and meat shops who have been taught by Federal money how to sell goods and merchandise over the counter. I believe it is more essential to place the buying power in the hands of the people to buy those commodities rather than to take Federal money to teach people how to sell them to the people who have no money with which to buy them. That is a vicious provision in the Senate bill which ought to be taken out, if the House adopts the Senate bill.

Mr. DEEN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. Yes.

Mr. DEEN. Let me ask the gentleman this question: He spoke about teachers teaching people how to sell meat and other products. Is it not a fact that when we came to Congress the Parliamentarian took mercy on us, and with the Federal salary that he receives, taught us some parliamentary law?

Mr. DONDERO. How far would my good friend from Georgia go? Would he use Federal money for the teaching of every human activity known to mankind?

Mr. DEEN. No; but I do not think it is fair to discriminate simply because a person works in a meat shop or in a 10-cent store. They ought to have the same opportunity as that given to other people in farm, factory, or school.

Mr. DONDERO. Does not the gentleman think they ought to be instructed by the people who employ them, rather than get money out of the Federal Treasury to teach them? Let me read one sentence from the testimony of Mr. Baumes, of Virginia, appearing at the bottom of page 40 of the hearings. He said:

This thing is happening: That as we closed our last fire school in Richmond last summer the head of the bureau of weights and measures said to me, "You have just done something for the firemen of the State. Why can't you do it for the weights-and-measures men?"

The Senate bill would go so far as even to teach the weights-and-measures men of the various States, counties, cities, and towns of the United States how to weigh and how to test the scales—all to come out of the Federal Treas-

ury. Why should not that be a part of the work of the States and not of the Federal Government?

Mr. COX. If the Senate amendment should be offered as a substitute for the House bill, the gentleman would then have an opportunity to offer an amendment to the amendment, that is, to the Senate bill offered as an amendment, to strike out the language in section 1 of the Senate bill which would authorize the objectionable activity to which the gentleman refers. I do not know that there would be any serious objection to that amendment.

Mr. DONDERO. Would the gentleman be willing to vote for that kind of an amendment to strike it out?

Mr. COX. Yes; I think I would.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, in the first place, I want to call the attention of the Committee to the fact that the appropriation made under the present act is not the only assistance that the Federal Government is giving for the purpose of vocational education. The Smith-Hughes Act, which is a continuing act and goes on from year to year, provides \$7,382,000. In addition to that, there has been provided for the last 2 or 3 years under the George-Elzey Act \$3,184,000. The act that we are considering today has been referred to as the \$6,000,000 per annum act. It actually provides \$7,302,000 per annum, instead of \$6,000,000. That \$6,000,000 is the largest single item and is for one specific purpose.

I have always voted for vocational education bills. I have spoken for them here at various times before the membership of this House. I am just as strongly for vocational education today as I ever have been, and I am for this House bill. I regret that the distinguished gentleman from Georgia, my good friend for whom I have the highest regard and kindly personal feeling, has seen fit to desert the committee. I feel it my duty to stand by the committee. He was designated by this committee to report this bill. Here is the recommendation:

Report favorably, with the recommendation that the bill do pass.

Mr. DEEN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. In just a moment. I decline to yield at this time. I will yield to the gentleman later.

That is his statement. That is not my statement. For reasons that are amply sufficient to himself, I know not why, but all of a sudden he says, "Well, let us take the Senate. It has \$12,000,000 in it. Let us take the Senate bill."

Now, I do not desire to be parsimonious about educational matters, but I do desire to stand for a bill that I think may be finally enacted into law.

The increase provided for in the present bill, which I am compelled to refer to as the Deen bill, although the gentleman from Georgia at the present time is disavowing it, over the George-Elzey bill, and it is replacing the George-Elzey bill, is \$4,117,397 per annum. There has been talk that the vocational educational work ought to be extended and expanded. I say to you that I am for a program of that kind, but I do believe, when we are providing over \$4,000,000 per annum for additional expansion work, that we are providing quite a generous sum. As those who have charge of this work extend it and if it is the desire of this House to extend it further in years to come, we can give them additional amounts.

I yield now to the gentleman from Georgia.

Mr. DEEN. The gentleman knows that this bill is only an authorization and that they can come back every year and get an appropriation. We are not paying them this money for the next 50 years. The gentleman knows that.

Mr. CARTER. I know that this is an authorization bill limited to 3 years, and that the sums authorized under this bill will be appropriated each and every year.

Mr. DEEN. Will the gentleman yield further?

Mr. CARTER. I yield for a brief question.

Mr. DEEN. The gentleman read the introduction to the report, "The Committee on Education, to whom was referred the bill", and so forth, "to provide for vocational education—

the committee having had the same under consideration report favorably with the recommendation that the bill do pass with the following amendments." The gentleman knows that the word "unanimous" is not in the report. Does not the gentleman know further that while I contended in the committee at every meeting, both at executive sessions and in the open hearings, for the \$12,000,000, the gentleman from California fought it and bitterly opposed it all the way through?

Mr. CARTER. No. I did not oppose the \$12,000,000 bitterly. I opposed it because I did not believe the President of the United States would sign a bill providing for that sum.

I think if we do want to increase this we ought to go at it in a sensible way. While we could make a reasonable increase, and have made a reasonable increase, I do not want to increase the amount to an extent that it would endanger the passage of the bill.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a short question?

Mr. CARTER. I yield.

Mr. SNELL. What is the amount we are appropriating now for this same work?

Mr. CARTER. At the present time the Federal Government for this work is appropriating \$10,701,603 per annum. That is, under all bills. That is for the United States, Hawaii, and Puerto Rico.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield for a question?

Mr. CARTER. In just a moment. I may say to the gentleman from New York [Mr. SNELL] that that amount would be increased by something over \$4,000,000 if the present House bill is enacted into law.

Mr. SNELL. Does the gentleman mean that it would make it over \$14,000,000?

Mr. CARTER. Yes.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. BIERMANN. I wonder if I am correct in my understanding of these facts. The George-Ellzey Act, which this bill is displacing, during the present year supplies \$3,184,000?

Mr. CARTER. Three million, one hundred and eighty-four thousand dollars; yes.

Mr. BIERMANN. And the House, after quite a little hearing, more than doubled the amount.

Mr. CARTER. Yes.

Mr. BIERMANN. The Senate, without any hearing, seeks to quadruple it. Is that right?

Mr. CARTER. That is just about the situation. Without yielding further, I would like to say that I have endeavored to find out on what the Senate based its estimate of \$12,000,000. There is not, so far as I can find, one sentence of a hearing anywhere to show why they increased the amount. One of the representatives of the Bureau of Education, Mr. Wright, appeared before the House committee and said in substance that he could not tell us anything because he did not have permission of the Bureau of the Budget, or somebody, to talk; and he never said one word about the Bureau of Education needing any additional amount.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. SIROVICH. Mr. Chairman, will my distinguished colleague yield for a question?

Mr. CARTER. I yield.

Mr. SIROVICH. As I understand the situation at the present time, the House bill provides that the States must match the money contributed by the Federal Government. Is that right?

Mr. CARTER. That is right.

Mr. SIROVICH. The Senate bill, on the other hand, does not make it mandatory for every State to match equally money contributed by the Federal Government because many of our Southern States are in a very frightful economic condition and cannot match funds. The Senate bill, therefore,

would help these States in the emergency with which they are confronted at the present time. Am I correct?

Mr. CARTER. No. I think the gentleman is inferring that it treats some of the States in one manner and other States in another manner. This is not true. The Senate bill does not require 100-percent matching, but it does treat all States alike on a sliding-scale basis, the States matching I think at first 50 percent of what the Federal Government provides with gradual increases year by year until a full matching is reached. As I understand the Senate bill it applies equally to all the States and not just to certain States.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. McCLELLAN. If I understood the statement made by members of the committee this afternoon correctly, taking the situation in the State of Arkansas as an illustration, which would be typical of the situation in other States, there are now pending over 200 applications from schools in that State which cannot be acted on favorably unless this additional appropriation is made.

Mr. CARTER. Mr. Chairman, I yielded for a question.

Mr. McCLELLAN. My question is: How many schools are there in the United States in a similar condition?

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. McCLELLAN. I am trying to determine the extent of the need for this additional money. If that situation is true in Arkansas certainly it is true in other States.

Mr. CARTER. There is, no doubt, need in many of the States for additional work, and we are providing something over \$4,000,000 for the next year for an expansion of the work.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. BEITER. The gentleman mentioned the President of the United States and wondered what he would do in the event the bill passed. Permit me to read an excerpt from a letter addressed by the President to the New York State Conference of Mayors.

Mr. CARTER. I do not yield for that letter. I do not know what it is about.

Mr. BEITER. I wish to read from it an excerpt giving the President's views on legislation of this kind.

Mr. CARTER. If the letter relates to this bill, I would like to hear it. If it does not relate to this bill, I cannot yield for the gentleman to read it.

Mr. BEITER. It relates to legislation of this type.

Mr. CARTER. I decline to yield at the present time.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I do not believe any Member of the House is more deeply interested in the subject of vocational education than I am. I know it is not a popular thing to oppose the largest amount that may be suggested for a cause of this kind.

Mr. Chairman, I am in favor of certain provisions of the Senate bill, but I think the gentlemen who have presented their case to the Committee of the Whole for the bill reported by the House committee have made the best argument for the House figure; and, so far as I am concerned, although I would like to see as much money as possible appropriated for this cause, it is my purpose to support the House figure of \$6,000,000, although if the Senate figures are adopted, I shall not vote against the bill on that account. After all, when you double the amount which has been heretofore appropriated for a particular purpose at one stroke in a time of depression like this when we are having as much difficulty as we are in making Government expenditures and income meet, my colleagues, you have gone a long way, and the people of this country interested in vocational education ought to be satisfied.

I shall now address my remarks to a feature of the bill in which I am very much interested. The House committee apparently determined first that it ought to have a provision in the bill providing that 50 percent of the amount of the annual appropriation need not be matched by the States. I gather this from the fact that they originally considered the first bill introduced by Mr. DEEN. After considering it the committee worked out a draft of the bill which they had reintroduced, and in the reintroduced draft they included on the first page a proviso to the effect that 50 percent of the amount of the appropriation need not be matched. This was evidently based upon the idea that they were adding \$3,000,000 to the \$3,000,000 which had theretofore been authorized, and that since the States had apparently experienced great difficulty in matching the \$3,000,000 which was already available, they might not be able to match the additional \$3,000,000, and for the 3 years to be covered by the terms of this bill the States should be relieved of matching the additional \$3,000,000.

I felt that that provision was exceedingly wise, and I regret very much that the committee had recommended to the House that it be stricken from the bill by amendment, but, after all, it is a matter to be determined by the House as to whether it will accede to the judgment of the committee or not.

I have a particular reason for feeling that especially in times like these the matching requirement ought not to be made for a very liberal part of this appropriation. I notice in my own State, with regard to vocational agricultural instruction that the schools located in the districts which have the least property values and the least taxable resources get no help. The school districts are required, as you know, or at least they are in my State, to pay a part of the money required to match the Federal funds; therefore the school districts which have ample property values and ample taxable resources are able to put up the necessary money to help match the Federal funds and their boys receive education in vocational agriculture, while in the poorer sections where they are not able to raise by taxation the necessary money to match the Federal money, but where they need this aid fully as much if not more than in the other sections to which I have referred, they get no assistance whatever. It appears that it is like the part of the Scriptures which says: "To him that hath shall be given."

Mr. SIROVICH. How can we overcome this?

Mr. TARVER. We can overcome it by defeating the committee amendment which proposes to strike out the proviso requiring that 50 percent of this money shall be allocated without being matched by the States.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 1 minute to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, we know that there are a great many unemployed in this country, and we are very much concerned with the matter of appropriating sufficient money to take care of the unemployed. But what about the children of the unemployed? These children cannot follow the footsteps of the father. They must be trained in vocational education. They must be fitted to follow a useful pursuit and qualify themselves to do useful things. Many school districts cannot provide this education unless assisted by the Federal Government.

Mr. Chairman, let me quote the following from a letter which I have just received from the State director of vocational education in the State of Idaho, William Kerr:

We sadly need the funds provided for under Senate bill 2883 so that we could reach a large number of out-of-school farm youth with Federal funds that do not require matching by local funds. School districts are glad and anxious to match these funds for farm boys attending high schools. The older boy who has finished high school or dropped out of school is even in better position to make use of vocational training, but local districts are not financially able just now to help in reaching this group.

Mr. Chairman, the provision in the Senate bill which we propose to substitute for the House bill that—

One-half of the annual allotments for each field of work except teacher training would not have to be matched for a period of 6

years. There would be a gradual increase in State and local matching after that until 1948, when all the money would have to be matched—

will be of great assistance and vitally necessary to extract the benefits that are proposed by this legislative body to help fit the growth of my State to meet the responsibility of useful citizenship. The farm organizations of Idaho are particularly interested in this legislation and are giving close attention to the deliberations of Congress in considering this measure as evinced by a number of communications received. For the information of the Members, I shall read a letter from the Kimberly Grange:

KIMBERLY, IDAHO, April 30, 1936.

Congressman COMPTON I. WHITE,
Washington, D. C.

DEAR MR. WHITE: We, the members of Kimberly Grange, No. 230, Kimberly, Idaho, most heartily endorse Senate bill 2883 and would ask that you use your influence to further this measure.

We feel that the permanent authorization of additional funds will be of great assistance to enlarge and increase the program for the out-of-school group.

There are a number of young people in this community, ranging in ages from 18 to 25 years, who are not being reached by the limited funds now available who would be benefited immensely by the passage of Senate bill 2883.

Thanking you, we are,

KIMBERLY GRANGE, No. 230, KIMBERLY, IDAHO,
C. ROY HAVERLAND, Secretary.

Mr. PALMISANO. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BEITER].

Mr. BEITER. Mr. Chairman, the gentleman from California refused to yield to me so that I could make the President's position clear in connection with legislation of this type. May I read an excerpt from a letter signed by the President, as follows:

It has indeed been gratifying to note the splendid progress made by the State of New York in the training of municipal officials, particularly the police and firemen. There can be no doubt that training produces efficiency and I am glad that the division of State police has been able to cooperate closely with your organization in the promotion of this splendid educational movement.

FRANKLIN D. ROOSEVELT.

Mr. Chairman, the demand for vocational education in the State of New York at the present time is far above the financial ability of the State of New York and the various communities within the State, and without the assistance of funds which may be made available by the passage of this bill the situation will constitute a serious emergency.

I have letters and telegrams in my files from principals of the Girls Vocational High School, the Seneca Vocational High School, the McKinley Vocational High School, the Peckham Vocational High School, the Technical High School, the Burgard Vocational High School, all of Buffalo, N. Y., and the supervisor of vocational education, city of Buffalo, and treasurer, New York State Vocational Association, all endorsing Senate bill 2883 and recommending that the House bill be amended in accordance with the Senate bill, or that the Senate bill be substituted for H. R. 12120 in the House.

The demand for vocational education service in the State of New York at the present time is so far above the financial ability of the State of New York and various communities within the State that without the assistance of funds that could be made available by the passage of this bill the situation will constitute nothing less than a serious emergency. Out of 6,217 pupils graduating from the public elementary schools this June in Buffalo, N. Y., 2,259 have declared their intention to enter vocational high schools. This does not include a proportionate expected demand from the parochial school system. It is impossible to provide the training they request under present conditions.

Buffalo is in great need of all the possible funds to come from the Senate bill. A tremendous increase in enrollment in the vocational schools is indicated and seriously curtailed educational budgets make increased Federal assistance absolutely necessary.

The Senate bill is endorsed by the Conference of Mayors and Other Municipal Officials of the State of New York and 5,000 cities, villages, and towns, represented in the American

Municipal Association, the National Federation of Thirty-six State Leagues of Municipalities, have gone on record favoring the measure. It is also supported by the American Vocational Association and leading educators and municipal officials throughout the country. The Municipal Training Institute of New York and the New York State Association of Towns have gone on record favoring the adoption of the Senate bill, which passed the upper House without a dissenting vote.

Cities, villages, and towns of the United States, acting through their State leagues of municipalities, have since 1928 operated training schools for more than 50,000 officials in the service of these municipalities. These schools, which constitute vocational education in the field of public employment, have become indispensable to the efficient administration of municipal affairs. One authority has said tranchantly that "they have put the breath of life into the dry bones of civil service."

The cities and first- and second-class villages of New York State, acting through their official association, the New York State Conference of Mayors and Other Municipal Officials, have since 1928 operated training schools for more than 33,000 municipal officials. The schools have won the unanimous endorsement and support of all mayors and other municipal officials in the State. The board of regents of the University of State of New York has recognized the standing and significance of the schools by creating an educational corporation of municipal officials to operate them. Many officials and authorities consider them to be one of the most hopeful signs for permanent improvement in future municipal government.

A bill by Senator GEORGE, S. 2883, makes available to the several States, funds for the further development of vocational education. The bill provides that a portion of such funds may be expended for the vocational training of those in public and other service occupations. If enacted into law, this bill will enable municipalities of the Nation, after appropriate Federal and State action, and through State departments of education, to share in such funds for the operation, by their official organizations, of in-service training schools for municipal officials. It should be emphasized that this training is now being accomplished at a very modest cost, and that any Federal funds utilized would be small in amount. The exact nature of the demand which might be expected can best be illustrated by citing the cost of the training program of the New York State Conference of Mayors, which has averaged annually about seventy-five hundred dollars. There is absolutely no need for the expenditure of large sums of money in such training work, because it can be done through the cooperative use of existing training facilities and resources in all levels of government.

S. 2883 has been favorably and unanimously by the Senate Committee on Agriculture and Forestry. However, the companion bill, H. R. 12120, by Congressman DEEN, has been reported by the House Education Committee with the elimination of provisions for the training of those in public and other service occupations. The municipalities of the country desire strongly that S. 2883, by Senator GEORGE, be passed rather than H. R. 12120, by Congressman DEEN. However, if a compromise is absolutely necessary as between the two bills, it is the desire of the municipalities of the country to retain in the bill, which is finally agreed upon, the phrase "including public and other service occupations", as this appears on page 3, line 15, of S. 2883, as reported by the Senate Committee (Calendar 1590). If H. R. 12120 is to be amended from the floor of the House, it is the earnest hope of the municipalities that a similar provision be inserted in the amended House bill.

S. 2883 is endorsed by the 5,000 cities, villages, and towns represented in the American Municipal Association, the national federation of 36 State leagues of municipalities. It is also supported by the American Vocational Association and leading educators and municipal officials throughout the country. In New York State the measure is favored by the Mayors' Conference, the Municipal Training Institute of New

York State, the New York State Association of Towns, and educational authorities.

Perhaps the most striking endorsement of S. 2883 is found in recent action by the Governor, legislature, and educational authorities of the State of New York. By chapter 225 of the laws of 1936 of the State of New York, Governor Lehman, the legislature, and the board of regents of the University of the State of New York, have paved the way for the use of Federal vocational-education funds for the training of local-government officials. This statute enables cities and villages of the State, through the State Department of Education, to share in any Federal funds made available for the training of public officials by the Congress of the United States. It is the first State statute of its kind in the country.

Mr. PALMISANO. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. FLETCHER].

Mr. FLETCHER. Mr. Chairman and Members of the Committee, it is my sincere belief that all Members of the Senate and the House who have carefully studied the provisions of this bill providing funds for vocational education are unanimous in the conviction that no money allocated by the Federal Government for any purpose is more certain to pay big dividends than is the money we are authorizing to be expended for vocational education.

Anyone who has had opportunity to judge the financial, social, economic, and intellectual results of vocational education, under the encouragement of the Federal Government, cannot fail to realize that no other type of education is more appreciated by the American people.

THE YOUNG PEOPLE ARE WATCHING US FROM THE GALLERIES

Today, as we are assembled here in the Halls of Congress, we have seen looking down upon us from the overcrowded galleries young men and women who have journeyed to the Nation's Capital from all parts of the country.

Many of these young people who are here on sightseeing tours under the guidance of their teachers have graduated from schools this year and are being sent out into the world to earn a living with a type of education for which, I regret to say, in too many cases, there is very little or no market.

BABSON ADVISES INVESTMENT IN SELF-IMPROVEMENT THAT ASSURES SELF-ADVANCEMENT

To succeed in life or in business in these modern times it is necessary to equip yourself with ideas and training which you can exchange for success.

To make money, under present conditions, you must equip yourself with ideas and training worth money.

Babson, the famous financial expert and investment counsellor, is right when he says, "The best investment is investment in yourself—in self-improvement that will assure you self-advancement."

Much of the high-school, college, and university education fails to equip young people with ideas which they can exchange for success, money, happiness, or anything else worth while.

Education that cannot be marketed, education the world does not need and does not want, is not of much value to the person who possesses it.

Education that leaves you where you are costs too much even if you get it for nothing.

The type of education for which we are now providing will equip thousands of students with ideas, training, knowledge they can exchange for greater success, increased earnings, and greater opportunity.

A LIFETIME INVESTMENT THAT PAYS BIG DIVIDENDS

A while ago this Congress authorized the building of two battleships at a cost of \$104,000,000.

The amount of money authorized in this bill for the education of our citizens is only about \$12,000,000.

A bomb, dropped from an airplane flying the skies or shot from a submarine plowing the seas, would wreck the two battleships costing one hundred and four million, and send them to the bottom of the sea. But the education purchased by hundreds of thousands of our young citizens at an investment of only twelve million, authorized in this measure, can-

not be destroyed. It will last throughout an entire lifetime and will draw interest and pay big cash dividends from the start.

THREEFOLD FUNCTION OF THE EDUCATION COMMITTEE IN THE UNITED STATES CONGRESS

Mr. Chairman, one of the functions of the Congressional Committee on Education, of which I have the privilege to be a member, is to assist in determining the responsibility of the United States Government to education insofar as Federal legislation is concerned.

Another function of our Education Committee of the United States Congress is to secure and interpret the new research findings relating to changing conditions in education throughout the Nation and to be guided by these facts in preparing legislative measures in the interest of education.

A third duty of the House and Senate Committee on Education is to formulate a practical, businesslike policy of Federal cooperation with the State for the purpose of meeting such serious emergencies as this one which now threatens the educational advantages of unprepared and unadjusted millions of people.

The threefold function of our Education Committee which I have just explained has never been exercised in behalf of any legislation for which there is greater need than there is for this legislation which our committee reports to the House today.

WITHOUT EDUCATION DEMOCRACY IS IMPOSSIBLE

Any recovery program, spending thousands of millions of dollars to open factory doors but leaving schoolhouse doors closed would likely be discredited by the parents of the Nation, who have the responsibility of training and educating the children who are to be the citizens of tomorrow.

We have every assurance of those in official position to speak with authority that under the New Deal of the Roosevelt administration education is assured a square deal.

PARENTS GOING BACK TO SCHOOL

It is a concern of legislators, as well as the concern of educators, that parents are going back to school today. Never before has there been such a demand for adult education, and this is a fact in which both State and National Governments have deep interest. This bill provides for new educational training for the parents as well as for the children.

All agree that the safety and perpetuity of democracy depends in a large degree upon the education of the citizenry, and that means the education of both the young and the old.

No nation can rise above the level of what its citizens think, and its citizens cannot think above the level of what they know.

When our citizens stop learning, our Nation will start dying.

ALL CONGRESSMEN AND SENATORS LEGISLATING FOR THE PEOPLE SHOULD BE EDUCATORS OF THE PEOPLE

Believing that legislators for the people should also be educators of the people in such subjects as economics, social and political science, and the processes of government, I have conducted a large number of educational forums throughout the United States in an effort to help unadjusted men and women make the most of themselves and get ahead in life.

This experience has given me an opportunity to study the results of vocational education of the type we are providing in this bill.

So great has been the response to these business, educational, and self-advancement forums which I have had the pleasure personally to conduct, under auspices of the Peoples' Traveling University Service, that in most cities large numbers of people were turned away, night after night, unable to find standing room in the packed auditoriums.

POPULARITY OF ADULT EDUCATION

Nowhere has there been a greater response than among the Ohio people at home, whom I have had the honor to represent in Congress, as was demonstrated in a series of these public meetings conducted previous to the second session of the Seventy-third Congress.

In several communities, in response to popular demand, it was necessary to repeat the same programs two and three times to accommodate those who were unable to get into the crowded building at previous forum sessions.

The response has always been the same from special professional, college, and university groups as that from groups composed of businessmen, wage earners, and the rank and file of men and women representing all walks of life.

POPULARIZING TECHNICAL SUBJECTS FOR PEOPLE WHO WANT TO BE MORE SUCCESSFUL

Further experiments were made to get the reactions of people to adult education on subjects usually conceded to be too abstract to popularize, but which can be made to yield information valuable to anyone ambitious to succeed in life.

As editor and publisher of a daily newspaper several years ago, I endeavored to learn the attitude of our newspaper readers toward adult education on such technical subjects as economics, sociology, psychology, dietetics, and so forth. To do this I conducted several forums as special educational features sponsored by my newspaper.

To assist in that part of this educational work, devoted to economics, sociology, and so forth, I engaged a noted authority, Attorney Lee Francis Lybarger, who had been highly recommended by my friend, Hon. Henry T. Rainey, distinguished Speaker of the National House of Representatives, who was himself one of America's foremost students of economic, political, and social questions.

This newspaper experiment in adult education proved to be one of the most popular as well as one of the most useful education features sponsored in all the many years I have been engaged in the newspaper business.

COMMENDED BY WARREN G. HARDING

The late President Warren G. Harding, with a number of his business and political friends, attended a number of our forums and commended them in the highest terms of appreciation.

These experiences I mention here in an effort to prove to my colleagues in Congress, the growing interest in adult, self-advancement type of education and to prove that the people, who no longer respond to the old political appeal, do very enthusiastically respond to the educational appeal which gives them a chance to ask questions and gain new facts so vitally essential to their intellectual equipment, if they are to keep abreast of the times in a rapidly changing world.

IT IS NEVER TOO LATE TO START MAKING OUR LIFE WHAT WE WANT IT TO BE

As a result of these personal experiments and humble efforts to open the doors of educational opportunity to larger numbers of people, I cannot help realizing how tragic it would be for this Congress to fail in giving approval to the bill under discussion. There can be no greater service than that of helping men and women to make the most of themselves at any age.

Its passage will give new hope and greater assurance of advancement for thousands of people in the years ahead. It will help people, regardless of age. It is never too late to start becoming what we might have been had we had a better chance in our earlier years.

Let no Member of this Congress underestimate the intellectual hunger of the radio-bored masses of people.

More men and more women are intellectually lonely today for the companionship of new ideas and new knowledge than ever before.

NEWTON D. BAKER WARNS SELF-SATISFIED MEN AND WOMEN THAT TO SUCCEED THEY MUST KEEP ON LEARNING

There is little hope for half-educated or self-satisfied people in these changing times.

Newton D. Baker, former Secretary of War, and frequently mentioned for the Presidency of the United States, says:

The man who graduates from college or university today and stops learning tomorrow is uneducated the day after.

This legislation makes it possible for people to continue their education through all the years of their adulthood.

The report of President Hoover's special committee on recent economic, business, and employment changes should awaken from their lethargy the intellectually indifferent who are satisfied with the education they received in school or college, and cause them to realize the imperative necessity for making investment in new training, new knowledge, and new ideas, if they hope to survive and get ahead, socially, vocationally, or financially.

TODAY IT IS EITHER LEARN OR PERISH

We are living in a swiftly changing world where people whose knowledge is stale and incomplete cannot compete.

Even in the most prosperous times employers are compelled to drop from their pay rolls the self-satisfied men and women who have quit learning.

The wage earner who does not have a program for self-improvement and who is not investing in new education of some kind eventually becomes mentally rusty and is as much of a menace to the industry that employs him as the machines that are allowed to become rusty and in need of repair.

Job-destroying, labor-saving devices, with electric brains and fingers of steel are daily forcing unprepared thousands out onto the dangerous precipice of unemployment and business uncertainty to face a jobless future. Today it is either learn or perish.

OUTWITTING YOUR MIDDLE-AGE DEADLINE

The middle-age deadline employment policy is crowding countless numbers past 35 and 40 over the precipice of employment uncertainty, partly because of their own neglect to keep their personalities, their knowledge, and their training up to date.

One way for people to outwit the fatal middle-age deadline is by modernizing their minds.

No employer gives a hang how old you are if you have an idea that is worth something.

The door of opportunity is everywhere being slammed shut in the empty, dull faces of smug, contented people who think they know enough.

Life ends at 40 for those who do not keep abreast of the times. There is no middle-age deadline for men and women who have new training, new ideas, and new knowledge.

Unfortunately the last thing people invest in is new ideas, new training, and new knowledge. Too many minds are out-of-date, antique models 20 years behind the times.

YOUR GREATEST DANGER

Because of the astounding new inventions, increasing thousands of labor-saving machines, billion-dollar merger combines, overproduction, chain-store distribution, merciless new competition, the middle-age deadline employment policy, and other alarming revolutionary changes that are coming with terrifying swiftness, millions who have let their training and knowledge get out of date, must quickly prepare themselves to readjust their lives by equipping themselves with new facts and new self-improvement or face stark tragedy.

THERE IS NO TRAGEDY GREATER THAN THE TRAGEDY OF BEING UNPREPARED

The late President Calvin Coolidge pointed the way to those ambitious to advance themselves, when he said:

The chief hope of the average man today is in his mind.

Those who have been listening to the apostles of despair, prophesying dangerous years ahead, should take new hope in the more optimistic predictions of those educators, employers, and business leaders who state that the so-called 5 dangerous years ahead will bring more reward, more happiness, more new opportunities for money making to those who modernize their training, their knowledge, and their thinking than have been known in any similar 5-year period in the business history of America.

But this hope is only for those who prepare and get ready for the new opportunities that are coming.

At the last session of Congress, we authorized the spending of millions to aid the unemployed and justly so; but there has been little organized effort in behalf of the unemployable who lack training, and who, in spite of rapidly growing

prosperity, will continue to remain unemployed unless they increase their earning ability by specialized education such as this bill provides.

NO GOVERNMENT CAN HELP PEOPLE WHO DO NOT HELP THEMSELVES

No matter how many billions of dollars the Government may spend to help people, yet much of the spending will be in vain unless people are encouraged to do something toward helping themselves by improving themselves.

No legislation, no government, can change the fundamental, basic law that to earn more it always will be necessary to learn more and be more.

The moment men and women stop learning that moment they begin slipping and no government on earth can do anything about that.

TO SUCCEED TODAY YOU MUST CREATE NEW CAUSES THAT RESULT IN SUCCESS—AND SELF-EDUCATION IS QUICKEST WAY TO DO IT

Individualism may give way to collectivism or to a variety of other "isms", but that will not change the fact that the individual, in the final analysis, will have to assume the responsibility of doing something for himself by following a program of self-development that will release and make usable his latent and often wasted ability.

Intellectual stagnation is probably the greatest calamity that can happen to a human being.

But intellectual stagnation, which handicaps people in getting jobs or holding jobs, will ever remain a matter under the exclusive control of the individual himself.

WHY DO SO MANY COLLEGE GRADUATES FAIL?

But, you ask, if more education is the means by which many of the unemployable can make themselves more certain of securing employment, then why are so many college and university graduates failures?

A part answer to that question is, our high schools, colleges, and universities, just like the railroads, banks, and most industries, have not been able to keep up with the new demands resulting from rapidly changing conditions and therefore have continued to graduate thousands annually equipped with obsolete education for which there is no demand and no market.

OVERSTUFFED MINDS

A "horse and buggy" education in an airplane world is one reason why so many college people fail.

Obsolescence in education is responsible for the graduating of overstuffed minds without trained thinking capacity, and the individual handicapped by a nonthinking mind has to be reeducated before he can be put on the pay roll at profit to himself or his employers. It is the thinking job that pays the biggest salary.

Stuffing a mind with so much that is of no use or which will soon be out of date and therefore, in a short time, have no value, does not make a thinking mind.

TO SUCCEED, STUDY SUCCESSFUL METHODS OF SUCCESSFUL MEN

Still another reason why so many college people fail in life, is that so many of their professors are failures, as they themselves frankly admit. Too many professors, upon whom students must rely for their education, have themselves never succeeded at anything; too much theory and not enough practical sense.

If you are planning to be a success in life, then it is highly important you learn from successful men the success methods by which they succeeded.

Merely because a man has a Ph. D. degree and a scholastic knowledge of the contents of books is no conclusive proof that he has either the capacity or the knowledge to educate students to be successful in life as it is lived today.

WHY MANY EDUCATORS AGREE WITH ARTHUR BRISBANE

Arthur Brisbane says:

Students who spend 4 years in college acquiring a technical education, which only a few ever will use afterwards, forfeit about 50 percent of their chance of attaining practical success in life by deducting from useful effort their 4 most important years.

Parking a mind on a college campus for 4 years does not educate it.

NEW METHODS IN ADULT EDUCATION

Chicago University, Columbia University, and many other leading universities of the country have done great work through their university extension courses in assisting people to acquire the additional margin of education necessary to increase their earning ability.

Those identified with the American Association for Adult Education, who recently held their annual convention in Washington, have done a great work in aiding people to secure the kind of knowledge necessary for their advancement.

Still another education service which makes available to adults in all walks of life a practical training that is original in that the facts are presented by the eye-learning methods almost exclusively, is the Peoples' Traveling University Service, to which I have personally devoted much time and money, in an effort to be of some slight service to men and women interested in self-education.

PICTURIZED KNOWLEDGE PUT INTO THE BRAIN THROUGH THE EYES

By means of hundreds of exhibits, stage demonstrations, and more than 2,000 colored financial and business charts, research findings of all kinds are simplified and so picturized by the Peoples' Traveling University Service, as to be easily understood and easily remembered.

By this eye-learning method new business facts from the Department of Commerce of the United States Government and other research bureaus of the Government are made practical and instantly usable to the thousands who have been eager to avail themselves of this training.

In an effort to make available to men and women of all ages and from all walks of life the researches in every field of science, this Peoples' University Service which, as previously stated, is a traveling university service, presents information in motion pictures, featuring the kind of knowledge which extensive surveys have shown most practical in aiding people to adjust themselves to changing business, employment, and economic conditions.

TO HELP MEN INCREASE THEIR EARNING ABILITY

A small fortune of thousands of dollars has been invested in the several tons of equipment necessary to present these unique educational programs.

The latest researches on advertising, salesmanship, personnel relations, business psychology, occupations, finance, and a wide variety of other subjects have been contributed by hundreds of business concerns and business leaders, philanthropic foundations, financial institutions, university research organizations, and prominent men and women in every vocational field.

All this vast storehouse of information is classified, organized, standardized, systemized, and put into the mind via the-eyeway-highway-to-the-brain method.

A LIFE PROGRAM FOR SELF-DEVELOPMENT

Not only do we bring the latest facts from every field of knowledge, including biology, psychology, finance, investment, economics, sociology, salesmanship, advertising, personnel relations, business, occupations, and so forth, but in addition to that, the Peoples University Service presents extensive information showing the various factors that decrease the earning power of the individual in over 3,000 occupations.

Self-study plans are provided and the students are shown how to organize a life program for continued self-education and self-development.

Sixty special-made trunks are used for shipping the business, scientific, educational exhibits and equipment used in presenting these modern business methods and personal advancement lessons featured by our Traveling University Service, which is the most extensive and the first service of its special kind in the field of adult education in this or any other country, so far as is known.

PEOPLES UNIVERSITY SERVICE MAKES LEARNING A PLEASURE

It is the purpose of educational service of this type to simplify some of the vast storehouse of technical knowledge heretofore available only to laboratory and academic tech-

nicians and make it understandable and usable for the man in the street.

My enthusiasm for this bill providing Federal aid in behalf of vocational education is very great because of having had opportunity to see with my own eyes how eager and hungry the masses of the people are for ideas, knowledge, training that will help them to be somebody and get somewhere in life.

PEOPLES UNIVERSITY SERVICE FORUMS APPEAL TO MEN AND WOMEN IN ALL WALKS OF LIFE

This business of adult education has been a sort of hobby of mine. For many years, I have devoted as much time as I could spare each year to this service which we call the Peoples University Service.

The Peoples University Service is a nonprofit service, but it has paid big dividends in happiness, friends, and the gratitude of more than a million two hundred thousand people in the United States and Canada who in 19 years have attended our business and self-advancement forums.

In our Peoples University Service forums have been bankers, doctors, lawyers, preachers, and men and women of all professions and vocations, including the public officials and Governors of several States. Sitting in the same audiences were laboring men, salesmen, clerks, stenographers, and people of every vocational interest and aptitude.

PEOPLE REALIZE THE HANDICAP OF AN OUT-OF-DATE MIND

This I mention to show that knowledge, training, or educational service designed to help the individual is universal in its appeal and is greatly needed.

If people were not interested in education, in self-improvement, in making the most of themselves, getting ahead, learning the new technique necessary to adjust themselves to changing conditions, then they would not crowd auditoriums in every city from coast to coast, as I have seen them do.

These personal experiences convince me that the Federal Government should hasten to join with the State governments to open the door of educational opportunity to the people of America as is being done by this legislation on which we are soon to vote. The amount of money we, as Members of Congress, are asked to authorize is an investment in happiness, in achievement, in citizenship, in opportunity for the masses of the people. There is little chance today for the man with an out-of-date mind.

EDUCATION BEYOND MONEY VALUE

The education, training, and information that will be made available to thousands under the provisions of this bill cannot be estimated in terms of dollars and cents alone. There are social, intellectual, spiritual values and intangible values that cannot be computed on any kind of adding machine. The contentment, the hope, the inspiration and aspiration, education, and training of the type we are providing in the bill before us comprise priceless values beyond computation.

PRESIDENT ROOSEVELT'S SPEECH

Most of us will admit that we can solve our old problems only by the application of new knowledge. In one of his great speeches to Congress, President Roosevelt said:

Fear and worry, based on unknown danger, contribute to social unrest and economic demoralization.

This kind of vocational and adult education helps remove some of the fear and worry to which the President referred.

The proper kind of vocational and adult education gives people scientific information about themselves, about life, opportunity; encourages self-analysis, self-understanding, self-development, self-expression, and self-realization.

Self-education shows people how to develop their ability and market their ability to better advantage. Facts were presented to our committee showing how this kind of vocational education kept hundreds off relief rolls and enabled them to provide for themselves.

This type of education teaches people how to discover and develop their unused mental resources, how to train themselves for more effective business thinking and more effective

living, how to plan their future in line with a definite success goal, and how to advance themselves by the scientific method from where they are today to where they want to be in life tomorrow.

FREEDING YOUR MIND FROM FEAR AND WORRY

This practical vocational and adult education does not deal in academic theories, but does deal in the kind of practical economic and business facts that enables men to free themselves from some of the fear and worry inspired by a sense of insecurity.

Educational agencies that aid men and women to adjust themselves happily to a changing world are doing something toward removing fear and worry, based on unknown danger, which contributes to the social unrest and economic demoralization.

This is the goal toward which President Roosevelt is directing the forces of the United States Government under his great constructive and fearless leadership.

The day President Roosevelt signs this bill providing for additional vocational education he will open the door of opportunity to grateful thousands in every State of the Union.

The President has been teaching the philosophy of the good neighbor. Before the eyes of the American people and the eyes of the world he has been living the philosophy of the good neighbor. By signing this vocational education bill the President will be demonstrating the philosophy of the good neighbor in a way that will increase for him the admiration and affection of every American citizen who appreciates his heroic, courageous leadership.

As individual self-improvement is the chief hope of the average man who wants to be successful, so is universal education the chief hope of democracy that wants to survive.

Mr. CARTER. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, as a member of the Committee on Education of the House, I attended practically all of the hearings which were held on this particular legislation. The pending bill is a compromise. I supported the original Lee bill and the Deen bill. As a result of the compromise, and after a lot of deliberation and many hearings, we decided upon the bill now under consideration. I want to stand by my distinguished chairman in the remarks he made on the floor of the House today that this bill has been reported out of the committee unanimously by the membership of that committee. I have had letters from the State director of vocational education, my State; from the chairman of home economics; from the executive secretary of the League of Nebraska Municipalities, all of them agreeing as to the good results obtained by vocational education. This league wants to retain parts of the Senate bill. However, Mr. Chairman, there is no argument as to the good which vocational education has done in our country. Every member of the committee is for vocational education.

Mr. LEE of Oklahoma surrendered his bill to Mr. DEEN, of Georgia, because Mr. LEE was for vocational education. The majority of us got behind the Deen bill until we got into a sort of deadlock, and we decided on the \$6,000,000 bill instead of the \$12,000,000 bill. We wanted to reduce expenditures. Like my colleague the gentleman from Ohio [Mr. FLETCHER], I favored the original bill, but fearing we would have no bill at all, I joined the rest of the membership of the committee, believing that this bill would be the bill we would discuss today, and only when I arrived on the floor today did I learn there was going to be an attempt made to substitute the Senate bill for the House bill.

There are things in the Senate bill favored by people in my State which I approve of and am for, but if the Senate bill is substituted for the House bill without section 6 of the House bill, which protects labor against the exploitation of those who are seeking slavery in our country, I say you are defeating the purpose of vocational education.

I hope every Member of this House will some time secure a copy of the confidential report brought to the Office of Education by representatives of labor and representatives of education, which indicates that public money has been used

in exploiting slave labor in our country. I hope the gentleman from Georgia [Mr. DEEN], who has agreed to accept section 6 of the House bill, of which I am the author, will continue the agreement when he proposes the Senate bill for the House bill.

Mr. DEEN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. DEEN. The gentleman has made a very valuable statement, and is a good member of the committee and is my friend and colleague. The gentleman knows I have no intention of deserting any agreement with respect to retaining his amendment to the Senate bill if the Senate bill is substituted for my bill. I have agreed to accept the gentleman's amendment.

Mr. STEFAN. I want to thank the gentleman, and I hope he will accept my section 6.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, I happen to be a member of the Committee on Education and it had not been my intention to have any remarks to make with regard to this proposed legislation this afternoon, but since I learned that the George bill is going to be offered as a substitute, I want to appeal to the membership of the House to sustain the Committee on Education and to sustain the chairman in the bill that has been brought forward.

There are those in the United States who question the advisability of the United States Government having too much to say about our educational system; in other words, there are those who still believe that the question of education is still a State matter and ought to be handled in that way.

There is no argument here about the vocational proposition being beneficial, and I am for it, but I take it if we enact the George bill, whereby we do not have to match Federal funds with State funds, it will not be much longer until there will be legislation here where the Federal Government will be asked to do it all, and there will be no matching of any amount. It seems to be the tendency of the country today to ask Uncle Sam to do everything. I do not believe it would be well for the States of this Union to urge or bring about a condition whereby all support of education comes from Washington and I think, too, that we ought to be a little careful about the extent to which we increase this appropriation.

I feel the bill that has been reported by the committee is a rather liberal increase over the amount that is provided in the legislation under which we are now living, and I would caution the membership of the House about increasing this appropriation to the extent that it is increased under the George bill.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That for the purpose of providing for the further development of vocational education in the several States and Territories there is hereby authorized to be appropriated for the fiscal year beginning July 1, 1937, the sum of \$6,000,000; for the fiscal year beginning July 1, 1938, the sum of \$6,000,000; and for the fiscal year beginning July 1, 1939, the sum of \$6,000,000: Provided, That the several States and Territories shall not be required to match more than 50 percent of the appropriations authorized under the provisions of this section. One-third of this sum each year shall be allotted to the States and Territories in the proportion that their farm population bears to the total farm population of the United States and Territories, according to the United States census last preceding the end of the fiscal year in which any such allotment is to be made. One-third of the sum appropriated for each fiscal year shall be allotted to the States and Territories in the proportion that their nonfarm population bears to the total nonfarm population of the United States and Territories, according to the United States census last preceding the end of the fiscal year in which any such allotment is to be made: Provided, further, That the allotment of funds to any State or Territory for each of the three purposes enumerated in

this section shall be not less than a minimum of \$10,000 for any fiscal year, and there is hereby authorized to be appropriated for the fiscal year beginning July 1, 1937, the sum of \$175,000, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotments to the States and Territories provided for in this section; for the fiscal year beginning July 1, 1938, the sum of \$175,000, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotments to the States and Territories provided for in this section; and for the fiscal year beginning July 1, 1939, the sum of \$175,000, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotments to the States and Territories provided for in this section.

With the following committee amendment:

Page 1, line 9, after the figures, strike out:

Provided, That the several States and Territories shall not be required to match more than 50 percent of the appropriations authorized under the provisions of this section.

Mr. TARVER. Mr. Chairman, I rise in opposition to the committee amendment. I do not desire to add very much to what I was saying a few moments ago. This is the provision of the bill to which I had reference. When the committee first drafted the bill, it inserted this proviso, which would have allowed 50 percent of the \$6,000,000 authorization to be allocated to the States without being matched and, therefore, would have afforded some opportunity to the States that are in such financial distress that they are unable to match in full the Federal funds and to the communities in those States, which because of low property values are unable to furnish any portion of the amount of money necessary to match Federal funds, to secure some benefits under the provisions of the bill. If this committee amendment striking out this provision is voted down, then 50 percent of the \$6,000,000 will be allocated to the States, and, therefore, to the communities and subdivisions of the States, which may not be able to match the amount in full, and it is my earnest hope that action may be taken by the committee to that end in order that those who are most in need of this aid may receive some of the benefits of the money.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Yes.

Mr. BANKHEAD. My friend is very clear in matters of this sort and I fear he may be laboring under an erroneous conclusion with reference to the provisions of existing law and the effect of opposing this committee amendment.

Mr. TARVER. I should be very glad if I am in error to have the gentleman point out wherein that is so.

Mr. BANKHEAD. Some here are indulging in the hope that in view of the very conditions the gentleman from Georgia has expressed with reference to the poverty of some sections, that at least a part of this appropriation shall be expended without matching, at least temporarily.

Mr. TARVER. That is what I am endeavoring to have done, and if the committee amendment be adopted and this provision be stricken out, then under the provisions of the following sections of the bill, especially section 5, as to the method of allocating between the States, all of it will have to be matched. If you vote down the committee amendment and leave the proviso in the bill, then only 50 percent of it will have to be matched. I take it the gentleman from Alabama is in accord with my position.

Mr. BANKHEAD. Yes. I fear I misinterpreted the gentleman's attitude.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Yes.

Mr. NICHOLS. If the House should turn down the entire House bill and adopt the Senate bill, there is no question but that it would be unnecessary to match in full the Federal money.

Mr. TARVER. I do not know what the House will do, but if you want to have half the money not matched, then vote down this committee amendment. If you want to require that the States match the money in full, then vote for the committee amendment.

Mr. NICHOLS. And if the committee amendment is voted down, would it then be necessary to further amend the bill before the conditions the gentleman is talking about would prevail?

Mr. TARVER. No. If the committee amendment is voted down, it leaves in the bill the proviso which would insure that \$3,000,000 of this money will be distributed between the States without matching. If the committee amendment is adopted, all of it will have to be matched.

Mr. NICHOLS. I take it that the gentleman probably thinks it would be a wise thing to adopt the Senate bill as an amendment, but for fear that will not be done, the gentleman thinks this amendment should be voted down.

Mr. TARVER. No. I do not think that we are warranted at this time in increasing the amount of this allocation by fourfold. I think that doubling the amount is amply sufficient for the present in view of the financial condition of the Government. I represent an agricultural district, and there is no one in this House more interested in the cause of vocational education than I am.

Mr. HILL of Alabama. But even if the committee amendment is voted down and the Senate bill is not adopted, the State then will have to match at least 50 percent of it.

Mr. TARVER. They will have to match 50 percent. If you do not vote the committee amendment down, they will have to match it all.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was rejected.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 7, after the word "made", insert "for the salaries of teachers, supervisors, and directors of agricultural subjects in such States and Territories."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 15, after the word "made", insert "and shall be used for the salaries of teachers, supervisors, and directors of home economics subjects in such States and Territories."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 2, line 23, after the word "made", insert "and shall be used for the salaries of teachers, supervisors, and directors of trade and industrial education subjects in such States and Territories."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 3, line 1, after the word "Provided", strike out the word "further."

Mr. PALMISANO. Mr. Chairman, in view of the fact that the Committee did not adopt the first amendment offered by the committee, it will be necessary to vote this amendment down, because the first proviso appeared on page 1. Of course, this is the second proviso.

I ask unanimous consent, Mr. Chairman, to withdraw the amendment.

The CHAIRMAN. Without objection, the last committee amendment is withdrawn.

There was no objection.

Mr. COX. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cox: Strike out all after the enacting clause and insert the following:

"That for the purpose of providing for the further development of vocational education in the several States and Territories there is hereby authorized to be appropriated for the fiscal year beginning July 1, 1937, and annually thereafter, the sum of \$12,000,000: *Provided*, That the several States and Territories shall be required to match by State or local funds, or both, 50 percent of the appropriations authorized under the provisions of this section until June 30, 1942; 60 percent for the year ending June 30, 1943; 70 percent for the year ending June 30, 1944; 80 percent for the year ending June 30, 1945; 90 percent for the year ending June 30, 1946; and annually thereafter 100 percent of the appropriations authorized under the provisions of this section. One-third of this sum each year shall be allotted to the States and Territories in the proportion that their farm population bears to the total farm population

of the United States and Territories, according to the United States census last preceding the end of the fiscal year in which any such allotment is made, and shall be used for the salaries and necessary travel expenses of teachers, supervisors, and directors of agricultural subjects in such States and Territories. One-third of the sum appropriated for each fiscal year shall be allotted to the States and Territories in the proportion that their rural population bears to the total rural population of the United States and Territories, according to the United States census last preceding the end of the fiscal year in which any such allotment is to be made, and shall be used for the salaries and necessary travel expenses of teachers, supervisors, and directors of trade and industrial subjects, including public and other service occupations, in such States and Territories: *Provided further*, That the allotment of funds to any State or Territory for each of the three purposes enumerated in this section shall be not less than a minimum of \$20,000 for any fiscal year, 50 percent of which shall be matched by State or local funds, or both, and there is hereby authorized to be appropriated for the fiscal year beginning July 1, 1937, and annually thereafter the sum of \$175,000, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotments to the States and Territories provided for in this section.

"Sec. 2. In addition to the sum authorized to be appropriated by section 1 hereof, there is hereby authorized to be appropriated, and required to be matched in the same proportions as such sum, the sum of \$1,200,000, to be allotted to the States and Territories in the proportion that their total population bears to the total population of the United States and Territories, according to the United States census last preceding the end of the fiscal year in which any such allotment is made, and shall be used for the salaries and necessary travel expenses of teachers, supervisors, and directors of, and maintenance of teacher training in, distributive occupational subjects in such States and Territories: *Provided, however*, That the allotment of funds to any State or Territory for the purpose of this section shall be not less than a minimum of \$10,000 for any fiscal year after July 1, 1937, and there is hereby authorized to be appropriated for the fiscal year beginning July 1, 1937, and annually thereafter the sum of \$54,000, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotments to the States and Territories provided for in this section.

"Sec. 3. That for the purpose of cooperating with the States and Territories in preparing teachers, supervisors, and directors of agricultural, trade and industrial, and home-economics subjects there is hereby authorized to be appropriated for the use of the several States and Territories for the fiscal year beginning July 1, 1937, and annually thereafter the sum of \$1,000,000. Said sum shall be allotted to the several States and Territories in the proportion which their population bears to the total population of the United States and Territories, according to the last preceding United States census: *Provided*, That the allotment of funds to any State or Territory shall be not less than a minimum of \$10,000 for any fiscal year. And there is hereby authorized to be appropriated for the fiscal year beginning after the enactment of the act and annually thereafter the sum of \$54,000, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotments to the States and Territories provided for in this section.

"Sec. 4. For the purpose of carrying out the provisions of this act there is hereby authorized to be appropriated to the Office of Education, Department of the Interior, for vocational education, for the fiscal year beginning July 1, 1937, and annually thereafter the sum of \$350,000, to be expended for the same purposes and in the same manner as provided in section 7 of the act approved February 23, 1917, as amended October 6, 1917.

"Sec. 5. The Secretary of the Treasury, through the Division of Disbursement of the Treasury Department, shall, upon the certification of the United States Commissioner of Education, pay, in equal semiannual payments, on the 1st day of July and January of each year, to the custodian for vocational education of each State and Territory designated in the act approved February 23, 1917, the moneys to which the State or Territory is entitled under the provisions of this act.

"Sec. 6. The appropriations made by this act shall be in addition to, and shall be subject to the same conditions and limitations as, the appropriations made by the act entitled 'An act to provide for the promotion of vocational education; to provide co-operation with the States in the promotion of such education in agriculture and in the trades and industries; to provide co-operation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditures', approved February 23, 1917, except that the appropriations made by this act for home economics shall be subject to the conditions and limitations applicable to the appropriation for agricultural purposes under such act of February 23, 1917, with the exception of that part of section 10 thereof which requires directed or supervised practice for at least 6 months per year; that such moneys as are provided by this act for trade and industrial subjects, including public and other service occupations, may be expended for part-time classes operated for less than 144 hours per

year; that the provisions of section 11 of the act of February 23, 1917, requiring at least one-third of the sum appropriated to any State to be expended for part-time schools or classes shall be held to include any part-time day-school classes for workers 14 years of age and over, and evening-school classes for workers 16 years of age and over; except that the appropriations made by this act for distributive occupational subjects shall be limited to part-time and evening schools as provided in said act of February 23, 1917, for trade, home economics, and industrial subjects and as qualified by the provisions of this section; and that the appropriations available under section 4 of this act shall be available for expenses of attendance at meeting of educational associations and other organizations and for expenses of conferees called to meet in the District of Columbia or elsewhere, which, in the opinion of the Commissioner, are necessary for the efficient discharge of the provisions of this act.

"Sec. 7. The appropriations authorized by this act shall be in lieu thereof and not in addition to the appropriations authorized in sections 1 and 2 of Public Law No. 245, Seventy-third Congress, approved May 21, 1934.

"Sec. 8. As used in this act the term 'States and Territories' means the several States, the Territories of Alaska and Hawaii, the island of Puerto Rico, and the District of Columbia."

Mr. PALMISANO (interrupting the reading of the amendment). Mr. Chairman, I make the point of order that this amendment is not germane. This is the Senate bill.

Mr. MONAGHAN. Mr. Chairman, a parliamentary inquiry.

Mr. PALMISANO. Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. MONAGHAN. Mr. Chairman, I would like to know whether or not the dispensing of the reading of the amendment would dispense with the reading of the House bill.

The CHAIRMAN. The gentleman from Georgia [Mr. Cox] has offered an amendment, which the Chair understands is in the words and figures of the Senate bill. The gentleman from Maryland asks unanimous consent that the further reading of the amendment be dispensed with. Is there objection?

Mr. MONAGHAN. Mr. Chairman, I am constrained to object.

The CHAIRMAN. The Clerk will continue reading the amendment.

Mr. MILLARD (interrupting the further reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. MONAGHAN. Mr. Chairman, I object.

Mr. NICHOLS. Mr. Chairman, I move that the further reading of the amendment be dispensed with.

The CHAIRMAN. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

Mr. PALMISANO. Mr. Chairman, I make the point of order that this amendment is not germane.

The Senate bill injects a new matter entirely to that in the House bill. Vocational training from 1917 to date has always been for the purpose of training individuals and not groups. It was for the purpose of individuals obtaining an education voluntarily. We are now injecting, by this amendment, a provision that would force education by the State or municipal governments. The amendment provides that the municipal agent, whether he desires an education or not, under the instruction of his master, who may not be a teacher in vocational training, must take that education. In that connection let me cite the rules of the House, on page 365, referring to germaneness:

One individual proposition may not be amended by another individual proposition even though the two belong to the same class.

That was shown recently when we considered the Frazier-Lemke bill. There was a provision attempting to loan money to the farmers of the country, and the Home Owners' Loan Corporation took up the same subject. The amendment to the Frazier-Lemke bill was ruled out of order because it was another subject matter.

Reading further from the rules:

Thus the following were not germane:

To a bill proposing the admission of one Territory into the Union, an amendment for admission of another Territory.

To a bill for the relief of one individual, an amendment proposing similar relief for another.

To a resolution providing for a special order for one bill, an amendment to include another bill.

I say this is entirely new matter. It may appear that it is extending vocational training, but the fact is that they are now attempting to teach not individuals but groups of public employees throughout the various States of the Union. I say it is not similar to the bill before the House. The intention of vocational training was to teach boys and girls who wanted an education voluntarily. This amendment would be the enforcement of an education upon men who have a training themselves by someone, as the testimony shows, who will later obtain an education from one in authority, and then he will divulge that education to someone else in the other jurisdiction, who is also in charge.

Mr. BANKHEAD. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The gentleman from Alabama.

Mr. CARTER. Mr. Chairman, I would like to be heard briefly.

The CHAIRMAN. The Chair will hear the gentleman from California before the close of the argument.

Mr. BANKHEAD. Mr. Chairman, I shall be very brief in answering the arguments made by the gentleman from Maryland. The exclusive proposition now presented to the Chair is upon the point of order made by the gentleman from Maryland, that the Senate bill is not germane to the House bill. Without undertaking to go into the various comparisons of one section of the House bill and a similar section of the Senate bill, even a casual examination of the provisions of the two bills, it seems to me, would clearly convince the Chair that the major purposes sought to be effectuated by the two bills are identical in purpose and design.

It is true there may be some incidental or minor differences with reference to the regulations set up, or with reference to some details of the bill there may be differences; but upon the point now presented of the germaneness of the Senate bill to the House bill, it seems to me rather clear, certainly, that the point of order is not well taken.

Mr. Chairman, I do not care to pursue the argument further than this statement of the general principles involved.

The CHAIRMAN. The Chair will hear the gentleman from California on the point of order.

Mr. CARTER. Mr. Chairman, I wish to be heard briefly on the point of order.

Mr. Chairman, in the past vocational education bills have had to do with agricultural training, home economics, and training in trade and in industry. I call the Chair's attention to section 2 of the Senate bill under consideration as an amendment, which section injects into the picture two other proposals. I maintain, Mr. Chairman, that the injection of these new proposals is in violation of section 7 of rule XVI of the House relative to germaneness, reading as follows:

No motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

I submit, Mr. Chairman, the point of order should be sustained.

The CHAIRMAN. The Chair finds the title of the Senate bill, the provisions of which are included in the pending amendment, and the title of the House bill which it would amend to be the same. Both provide for the further development of vocational education in the several States and Territories. An examination of the text of the bills indicate that to a considerable extent they carry the same provisions; but, as pointed out by the gentleman from California, the Senate bill adds to the provisions of the House bill certain fields of vocational training in public and other service occupations.

The Chair finds in Cannon's Procedure, on the subject of germaneness, this paragraph:

That an amendment to be germane means that it must be akin to or relative to the subject matter of the bill. It must be an

amendment that would appropriately be considered in connection with the bill.

Both the amendment and the House bill deal with the subject of vocational education.

The Chair quotes from the definition of vocational education given in Webster's dictionary the following statement:

A vocational school is a school the main purpose of which is to provide training for the occupations or vocations whether in the professions, commerce, or trade.

In the opinion of the Chair the pending amendment, as stated by the gentleman from Alabama, seeks to effectuate the identical purposes of the House bill except to carry those purposes a bit further and to provide a larger appropriation for them.

The Chair, therefore, holds that the amendment is germane and overrules the point of order.

Mr. COX. Mr. Chairman, whatever I might say in support of this amendment would be in part at least a repetition of arguments already made dealing with the relative merits of the House and Senate bills.

It has been developed in the consideration of this measure up to this point that the Committee on Education reporting the House bill is tremendously interested in the adoption of the legislation. There is, however, an indication of difference as between members of the committee over the amount of appropriation that should be authorized. The Senate bill—you will recall the statement made by the author of the House bill—is the bill upon which the hearing before the Committee on Education of the House was had; that is, the two bills were identical. The change in the bills as they now are was brought about by amendments made by the Committee on Education, which resulted in the original bill being withdrawn and reintroduced by the gentleman from Georgia [Mr. DEEN].

I hope the committee will accept the amendment.

Mr. STEFAN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. STEFAN to the amendment offered by Mr. Cox: On page 7, line 12, after the word "act" and the period, insert a new section:

"Sec. 6-a. No part of the appropriation herein authorized shall be expended in industrial-plant training programs, except such industrial-plant training be bona-fide vocational training and not a device to utilize the services of vocational trainees for private profit."

Mr. STEFAN. Mr. Chairman, the hour is getting late, and I shall not take the 5 minutes to which I am entitled.

Mr. BANKHEAD. Mr. Chairman, if the gentleman will permit an interruption, I may say that so far as I know the amendment is agreeable to all concerned, if it is to the chairman of the committee.

Mr. PALMISANO. Mr. Chairman, I am opposed to the amendment of the gentleman from Georgia.

The CHAIRMAN. The Chair will say to the gentleman from Maryland that the amendment now pending is the amendment offered by the gentleman from Nebraska.

Mr. PALMISANO. Mr. Chairman, I would call attention to the fact that the amendment of the gentleman from Nebraska is already in the House bill; so the question involved here is the amendment offered by the gentleman from Georgia.

Vocational education has been progressing with an appropriation of \$3,000,000 a year. We have increased that to \$6,000,000 a year. The pending bill increases the present amount by \$4,000,000. By adopting the Senate bill as an amendment, the amount will be increased to \$12,000,000, a 300-percent increase; and there was absolutely no testimony before the committee to warrant any increase whatever.

Mr. BURDICK. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BURDICK. Mr. Chairman, I make the point of order that the gentleman is not speaking to the matter before the House, the amendment offered by the gentleman from Nebraska.

The CHAIRMAN. The gentleman from Maryland will proceed in order.

Mr. PALMISANO. The amendment of the gentleman from Nebraska is already contained in the House bill. The question involved is \$12,000,000. I say, gentlemen, vote against both amendments, and pass the House bill with \$6,000,000 instead of the Senate bill with \$12,000,000. To adopt the amendment of the gentleman from Nebraska would be to make it appear that we are in sympathy with the Senate bill.

Mr. Chairman, I say that the Members should vote against both amendments and proceed to pass the House bill as reported by the committee, because that bill has been unanimously reported. Some folks back home have sent telegrams up here to Members urging that they not stand by the committee, and now we find a different proposition before the House. Three separate votes were taken on this bill, and I ask the Members to stand by the committee.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the gentleman from Maryland [Mr. PALMISANO], it seems to me, has offered a rather novel argument. He admits the merit of the amendment offered by the gentleman from Nebraska [Mr. STEFAN], but merely for the purpose of adding strength to his opposition to the Senate bill he asks the House to vote down the amendment offered by the gentleman from Nebraska. I understand the gentleman from Maryland is perfectly agreeable to having this proposition in the House bill, and, as a matter of fact, his committee accepted it. It seems to me in order to properly present the matter to the House. The gentleman from Maryland should gladly accept the amendment offered by the gentleman from Nebraska. I would like to have the gentleman from Maryland give the Members of the House a real good argument why the amendment offered by the gentleman from Nebraska should not be adopted as an amendment to the amendment offered by the gentleman from Georgia. The gentleman has offered no argument against the amendment offered by the gentleman from Nebraska.

Mr. PALMISANO. It is already contained in the House bill.

Mr. BOILEAU. It is in the House bill, but it is not in the amendment that will be next voted upon by the Members of the House. It seems to me, in the interest of clarity, in the interest of good legislation, and in the interest of presenting the matter fairly to the House, the amendment should be adopted.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. STEFAN] to the amendment offered by the gentleman from Georgia [Mr. Cox].

The amendment to the amendment was agreed to.

Mr. FORD of Mississippi. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Georgia [Mr. Cox].

The Clerk read as follows:

Amendment offered by Mr. FORD of Mississippi to the amendment offered by Mr. Cox of Georgia: On page 3 of the amendment, strike out the following words in line 6: "including public and other service occupations."

Mr. COX. Mr. Chairman, this is the language of the bill to which the opposition rather strenuously objected. I cannot see that it will injure the legislation; therefore I accept the amendment and hope it will be adopted by the House.

Mr. FORD of Mississippi. Mr. Chairman, in considering the proposed legislation now before us for the promotion of vocational education through Federal aid for that purpose, I feel that there is not a Member of this House who would attempt to deny that free public instruction is one of the most valuable undertakings of an organized government. I insist that popular education is the basis of freedom and of justice in that it offers the fullest opportunity for every person to rise in the world in keeping with democratic ideals. By means of education the road to success is kept open to all who are willing to exert the effort required to travel it.

I am happy to have consistently and actively supported the idea of a permanent policy of Federal aid to education, and at the present time there is pending before the House Committee on Education a bill I introduced on March 4, 1935, H. R. 6370, embodying a plan which would make available \$100,000,000 a year for Federal aid to public education in the several States, and sufficient provision is therein included to make this assistance a permanent policy of the United States Government, control of the funds to be exclusively exercised by the State and local educational authorities. I serve notice on the House and on the Committee on Education, of which I am a member, that the school children, the parents, the bus drivers, the school teachers, and the overburdened local taxpayers, of this country appreciate the merits of this proposal and are demanding this assistance to which they are entitled. The fight for its approval will be continued until victory crowns our efforts.

Today we are considering Federal aid to vocational education, since the Committee on Education has reported a bill to the House, H. R. 12120, authorizing the appropriation of \$6,000,000 a year for the next 3 years to be devoted to this purpose. While our committee was studying this measure I, and a number of the other members of the committee, wanted the authorization placed at \$12,000,000 a year and the Federal aid so given made a permanent proposition, not limited to any term of years. The committee, acting by majority vote, rejected our proposals and reported H. R. 12120, carrying an authorization for the \$6,000,000 and with the 3-year limitation.

But the situation is not beyond hope of successful remedy. The Senate has already passed its vocational-education bill, and that measure carries the \$12,000,000 authorization as a permanent policy—exactly the same thing we tried to secure in the Committee on Education.

The gentleman from Georgia [Mr. DEEN], author of the House bill reported from the committee, has stood up here this afternoon and splendidly declared that pride of authorship does not go so far with him as does a sincere desire to see something really worth while done to improve the educational opportunities of the boys and girls of our country, and that he hopes that the provisions of the Senate bill will be adopted in place of the enactment of his bill.

It will be an easy parliamentary process for the House to now adopt the provisions of the Senate bill. All we will have to do is simply to strike out all after the enacting clause of the House bill and insert in place of the stricken matter the provisions of the Senate bill. A majority in behalf of the amendment—carrying the Senate provisions—offered by the gentleman from Georgia [Mr. Cox] will accomplish the desired purpose.

Twelve million dollars a year and a permanent policy of assistance to vocational education will be the result of the adoption of the amendment. In urging you to adopt the amendment I do not feel that I am deserting my committee, as I wanted the more liberal provision made in the committee before the bill came to the floor. I thought we had debate and amendment on the floor in order that we might be able to correct just such situations as this now confronting the advocates of suitable assistance to education. Even if I had to desert a committee, I would do it without hesitation if I considered it necessary to effect the result essential to the best interests of the people. Committee allegiance cannot come ahead of allegiance to duty.

The gentleman from California [Mr. CARTER] calls attention to the fact that regardless of whether we pass a bill at this time under the operation of the Smith-Hughes Act, \$7,382,000 per annum will, from year to year, be made available to vocational education over and above the amounts otherwise provided. That is correct, but we know, and the school children and parents know, that we need this \$12,000,000 in addition to that which will be obtained under the Smith-Hughes Act. The need appears all the more pressing when we consider that the act of May 21, 1934, which has also provided \$3,184,000 since date of enactment, will expire in another year, leaving that sum no longer available.

The funds made available by the legislation now under consideration will be used for agricultural education for our farm boys, for home science education for the girls who are interested in learning better methods of home management, and for vocational training in trades and industry. Money could not be expended to a purpose any better than to equip boys and girls to lead a more useful and abundant life. This will certainly enable them to improve upon their opportunities, to the benefit of themselves and their associates.

I have offered an amendment to the amendment of the gentleman from Georgia which would strike out the words "including public and other service occupations." If my amendment to the amendment prevails, it will mean that none of the funds will be used for training people to be firemen or policemen or public officials or similar undertakings, and will reserve all the money for the education of the boys and girls in the fields I have just mentioned.

Allow me, Mr. Chairman, to again urge that the amendment to make \$12,000,000 available as a permanent policy be agreed to, and that my amendment to the amendment also be agreed to in order that possible undesired complications may be prevented.

A test of the friendship of this House for the children of this country trying to get an education and for the parents and teachers trying to give it to them has come. I cannot think that we will violate our trust.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. Ford] to the amendment offered by the gentleman from Georgia [Mr. Cox].

The amendment to the amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, may I ask the chairman of the Education Committee a few questions? What is the amount of the appropriation now for vocational training?

Mr. PALMISANO. \$3,000,000.

Mr. McCORMACK. That expires next year?

Mr. PALMISANO. It expires next year; yes.

Mr. McCORMACK. The purpose of both of these bills is to continue vocational education beyond next year?

Mr. PALMISANO. The House bill continues it for 3 years with an increase in the appropriation to \$6,000,000. The Senate bill makes it a permanent proposition.

Mr. McCORMACK. Now, the appropriation is \$3,000,000?

Mr. PALMISANO. \$3,000,000; yes.

Mr. McCORMACK. The House bill increases the appropriation 100 percent?

Mr. PALMISANO. Yes.

Mr. McCORMACK. And the Senate bill increases it 300 percent?

Mr. PALMISANO. The gentleman is correct.

Mr. McCORMACK. That is all I want to know.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. No; I have the information I wanted.

Mr. PALMISANO. I may say to the gentleman from Massachusetts that, under the House bill, the program is continued for 3 years as it has been since 1917, and, under the Senate bill, it would be made a permanent proposition at \$12,000,000 a year. The original Smith-Hughes bill appropriated \$500,000, which was to be continued and increased until it reached \$6,000,000. We are now providing the \$6,000,000 which was to be the permanent amount under the original Smith-Hughes Act. Now they are asking for \$12,000,000, which would double the amount that was originally anticipated.

Mr. RICH. Mr. Chairman, will the gentleman yield and tell us where we are going to get the money?

Mr. LAMNECK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. LAMNECK. Do I understand that the Senate bill also provides for an appropriation for all time after 1946?

Mr. McCORMACK. I rose in order to get time to ask certain questions. Can the gentleman from Maryland answer the question of the gentleman from Ohio?

Mr. PALMISANO. Under the Senate bill it is to be a permanent proposition.

[Here the gavel fell.]

Mr. FULLER. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I realize there is some little feeling on behalf of the committee for their own bill. Personally, I think the committee, although made up of various classes of representation here in the House, has been fair and has gone along pretty well with this matter, but the Senate bill, known as the George bill, as I understand, was never before the committee. The bill was passed after the committee had acted upon the matter. It is true they did discuss, as I understand, the question of whether the amount should be \$6,000,000 or \$12,000,000 and decided upon \$6,000,000, although there were a great many of them who then, as now, were in favor of \$12,000,000.

I have no criticism to offer of the committee in asking us to stand by the majority report, but with respect to a question like this, it seems to me the members of the committee ought not to be such sticklers for little technicalities. In my estimation \$12,000,000 is not too much. We do not have enough now and we cannot appropriate too much for a cause like this.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes; for a question.

Mr. RICH. If the gentleman yields for just a question, and I have to make it short, may I say that while we are talking all the time about spending I would like to know where you are going to get the money.

Mr. FULLER. It is easy to know where we are going to get the money. We will get it off of the manufacturers of Pennsylvania and they will never even feel it. Money wisely spent for education of those unable to pay their way through colleges is always a good investment.

Mr. RICH. And when you get through you will have wrecked the country.

Mr. FULLER. Oh, no. Do not take up all my time.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I hope the gentleman will excuse me, as I only have a little more time. The gentleman has spoken on the measure and there are some Members on our side who want to speak on this amendment, because they were in favor of the George bill and could not get recognition. However, this is a forum where we can all speak a little.

Mr. Chairman, I know the needs of the country boys. Some of you gentlemen who live in cities and have had fine opportunities and have not had to patronize the public schools may not realize the importance of this proposition, but I know what it is for a poor farmer boy to crave an education. I never had any opportunity for college education in my own life, and I know what it means to the farm boys who go out and work their way through school. This bill will give them an opportunity to learn a vocation or a profession. It also gives them an opportunity to be taught a trade, and, more than this, they teach the girls of the country their duties as wives and mothers. They further teach them things which they have never before had an opportunity to be taught. The children of the rich and those able to attend college do not take vocational training or attend these schools. Such schools teach practical thrift and economy, and, in addition to teaching trades, make better farmers. They teach the girls how housewives can make a dollar go further, how to buy, manage the home budget, and get the best results from earnings, besides health features. The present program and appropriation cannot take care of one-half the demand or afford teachers living wages. This allowance, although larger than formerly, is really economy. This bill will just be known as the George-Deen measure, and the poor boys and girls of the country will hold in grateful remembrance not only the authors but all who support this worthy measure. Let us take care of the young people who seek an education and they will, in appreciation, later take care of our governmental needs. I hope the

amendment containing the provisions of the George bill is adopted. [Applause.]

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last two words. I imagine some Members may get tired of the reiteration of the statements so often made by me on the floor of the House that in my deliberate judgment, although I may be in error in my conclusions, the very best money spent by the Federal Government is for appropriations for the Public Health Service and those appropriations for vocational education in its various phases. [Applause.]

I have been in Congress over a period of a good many years now, by the kindness and indulgence of my constituents, and ever since I came to Congress 20 years ago, at which time at my own request I was placed for a number of years on the House Committee on Education, I think I make a fair statement that from a very modest beginning, as far as appropriations and activities are concerned, I have seen this program of Federal leadership and stimulation for vocational education grow, not only in effectiveness but also in the confidence and appreciation of the American people. [Applause.] It is true that we are spending tremendous amounts of money. We have voted for some appropriation bills at this session of Congress that were very distasteful to me because of the tremendous amounts of money involved in them which I feared were not going to be expended for any humanitarian or benevolent purpose or to accentuate the needs of social justice in this country; but they have passed. But here is an act, not an appropriation, mind you, but an authorization for an appropriation, to quite largely increase—and I say that frankly—the authorization for vocational education.

I was one of those who in the hearings before the committee 3 years ago on the George-Elzey bill insisted that this appropriation should not only go to the benefit of the country boys and girls, but that at least one-third of it should be devoted, as it is now devoted under existing law, to the education of boys and girls of the towns and cities in industrial training. Sitting in my place behind that table during this Easter period and for a number of weeks, I have seen day after day file into the galleries of this Chamber the youth of our country—high-school boys and girls now being trained in the schools of this country to take up the burdens of citizenship when we older men shall lay them down; and the only objective that I have had in mind during all of these 20 years in advocating liberal appropriations for vocational education has been that these American youths shall have a fair, reasonable, decent opportunity in the country precincts and in the city precincts to be trained in head and in heart and in hand so that they might adequately cope with the problems of life as intelligent creatures, and not be deprived of the benefits of vocational education that would train them in the useful trades and arts and sciences, in agriculture, and in domestic industry to take up these burdens. I have always felt that it is at least partly the duty of the Federal Government to make reasonably fair appropriations for this purpose. I am not afraid of this \$12,000,000 appropriation for this purpose, because I believe that as far as the youths of our country are concerned—and they lay heavily upon our hearts, of course—it is the best money that we can spend. [Applause.]

The CHAIRMAN. The question is on the amendment of the gentleman from Georgia as amended.

The question was taken; and on a division (demanded by Mr. PALMISANO) there were—ayes 125, noes 51.

So the amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise and report the bill to the House.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROBERTSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 12120, and he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

WHEELING COAL PLAN

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent to extend my own remarks on a bill I introduced yesterday.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. RAMSAY. Mr. Speaker, I introduced yesterday House Joint Resolution 596 that has for its purpose the granting to the coal States the right to enter into compacts with each other, for the purpose of stabilizing the coal industry. The provisions of the joint resolution are as follows:

That the consent of the Congress of the United States is hereby given to the States of Pennsylvania, Ohio, Illinois, Indiana, West Virginia, Kentucky, and Tennessee, or any two or more of them, to negotiate and enter into agreements or compacts for conserving and stabilizing the production and sale of coal, and such agreements may authorize the forming of competitive zones to regulate the production and sale of such coal, under State and governmental guidance with the express purpose of securing a fair profit for the capital invested in such business, as well as a fair and living wage for the employees engaged in such mining and production.

SEC. 2. No such compact shall be binding or obligatory upon any State, or its producers or miners of coal, unless and until it has been approved by the legislatures of each of the States whose assent is contemplated by the terms of the compact or agreement and by the Congress.

This joint resolution is based on what is known as the Wheeling coal plan, the details of which were worked out and recommended by the Wheeling Chamber of Commerce. The plan, as recommended by this association, is as follows:

WHEELING COAL PLAN

1. Form the coal industry into competitive zones.
2. State and governmental control is not advocated. State and governmental guidance for legal reasons is necessitated.
3. Name the Governor of each State the coal administrator of his State. Have the Governors of the States in the competitive zones form an administrative tribunal.
4. The tribunal will:
 - (a) Organize the operators of each zone in a unit.
 - (b) Retain engineers to ascertain production in consumption, definitely rate each property, so that production is balanced in relativity to consumption by zone, by State, by district, by operation, by year, by month, and by day.
5. Cooperation by labor and capital, so that employee gets a living wage and employer a fair profit. Employees are encouraged to organize into associations for mutual self-help.

The sponsors of this code believe that the future of the Nation depends on coal and offer to cooperate with the Government, the State, labor, the operator, and the public to solve the problem.

Zone the coal industry as follows:

1. Lake zone, comprising Pennsylvania, Ohio, West Virginia, Kentucky, and Tennessee. Approximate tonnage, 392,000,000. The personnel of the administrative tribunal for this zone would comprise the Governors of Pennsylvania, Ohio, West Virginia, Kentucky, and Tennessee.
2. Tidewater zone, comprising Virginia and Maryland. Approximate tonnage, 17,000,000. Central Pennsylvania properly belongs in this zone. The personnel of the administrative tribunal for this zone would comprise the Governors of Virginia and Maryland.
3. Midwest zone, comprising Illinois and Indiana. Approximate tonnage, 93,000,000. Western Kentucky properly

belongs in this zone. The personnel of the administrative tribunal for this zone would comprise the Governors of Illinois and Indiana.

4. Southern zone comprises Alabama. Approximate tonnage, 21,000,000, and so forth.

Geographical zones have been selected where competition is most acute. Other zones can be formed in States or sections of States not already zoned. The tonnage of the industry zoned in 1926 approximates 523,000,000 tons, or 91.2 percent of the Nation's total production.

Strong belief is affirmed in private ownership. Initially, however, the Governors must act as the Moses to lead the industry out of the wilderness. The States can legally do this, as they will exercise their own sovereignty in saving a natural resource. When the plan functions, the tribunal of Governors could resign. A commissioner could be appointed by the operators of each State. These commissioners, instead of the Governors, would then comprise the tribunal for each zone. If desired, a national commissioner could be appointed by the operators to direct the entire industry, like Judge Landis in baseball, or the Honorable Will Hays in the motion-picture industry.

Productive schedules would be given operators 2 weeks in advance for the ensuing month, showing the number of days to operate and tonnage per diem. As insurance companies through experience base premiums on a mortality table, so eventually time would produce a productive table, scientifically arranged, so that each property would work 250 days a year with a fixed and set personnel.

No consumer of coal, large or small, with a social conscience, desires to pay a price that means starvation to miners and bankruptcy to operators. The price of the product should be such that the miner gets a living wage and the operator a fair profit.

After careful analysis and study, it is our opinion that 50 operators getting away from the law of the jungle and co-operating could save an industry, classed as basic by the President of the United States, and that is a public necessity in peace and in war, in which there are billions of dollars invested and upon which 2 percent of the Nation's population depends, directly for a livelihood, and all America in some degree, directly or indirectly, for comfort and existence.

CHECK WEIGHMEN

It is our opinion that every mine should have a check weighman. The check weighman should be a member of the department of mines in every State and sent to the mine by the State. His remuneration should be set by the States and paid by the cutters and loaders at the mine he is working. Check weighmen should be changed from mine to mine, and changed frequently, so that they will not be partial to either miner or operator.

COMPANY STORES

The company store was once a positive utility. Mines were in isolated districts, but the invention of the automobile has made them less of a utility, but still in many cases a necessity.

Compulsory trading should be absolutely prohibited. The administration of the company stores should be checked by the State mine department, so that there would be no excessive profiteering.

SCRIPT

Script is not legal tender in the payment of wages. Consequently its use should be completely prohibited.

COMPANY HOUSES

Occupancy should not be compulsory. Sanitary laws of the State or district should be enforced. Rental should be nominal.

It is obvious to students of the bituminous-coal industry that time has supplanted the old central competitive field, comprising Illinois, Indiana, Ohio, and Pennsylvania. Conditions call for new alignments, and thus this new competitive field is suggested. Steam coal alone has been considered. Geographical districts have been selected where competition is most acute. Other sections in States designated or States unnamed can later on be included. The tonnage in the field

named approximates 150,000,000 tons per annum, or one-third of the Nation's total production.

Mr. Speaker, I sincerely hope the Judiciary Committee will at once report out this bill, and that the Congress will pass the same at this session, and give to these States interested a chance to work out their own salvation.

CURRENT ATTACKS ON IMMIGRATION LEGISLATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting a radio speech I made over the National Broadcasting Co.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my address made over a National Broadcasting Co. network Thursday, April 23, 1936, as follows:

I desire this evening to explain to my radio audience some of the tactics being employed by certain opponents of the Kerr-Coolidge bill in their efforts to prevent orderly consideration of this bill on its own merits on the floors of both Houses of Congress. At the outset permit me to make this unqualified statement, which can easily be verified by anyone who will care to examine its provisions: The Kerr-Coolidge bill, as amended, is not a liberal immigration measure but a deportation bill of drastic nature.

Let me impress upon you that this Kerr-Coolidge bill is the only major legislative proposal dealing in general with aliens within the United States that has been favorably reported from the appropriate committees of both the United States Senate and the House of Representatives during this Congress and is awaiting consideration on the floors of both Houses of Congress.

Opponents of the Kerr-Coolidge bill have succeeded in having another bill introduced in Congress, the so-called Starnes-Reynolds bill, as a sort of buffer bill, toward which all antialien groups in the country can direct their support. There is even a rumor heard occasionally that an effort will be made to offer the Starnes-Reynolds bill as an amendment in substitution for the text of the Kerr-Coolidge bill.

One member of the House Committee on Immigration and Naturalization has been openly informed that opponents of the Kerr-Coolidge bill have made an arrangement whereby every bill reported from the committee will be denied any consideration on the floor of the House unless and until the Committee on Immigration and Naturalization favorably reports some bill to the House providing for the mandatory deportation of all unnaturalized aliens from the United States immediately. One of the Senators from the State of North Carolina, a gentleman for whom I have a high regard, recently held the Senate floor for 4 days in a one-man filibuster against the orderly consideration of the Kerr-Coolidge bill, and while making this filibuster speech stated in part—I quote the Senator: "I wish to state to my distinguished friends in the Senate, I am trying to talk this bill to death."

By means of radio addresses, by printed pamphlets, by letters, telegrams, and petitions sent to the Members of Congress and Senators, and even by speeches in the halls of Congress, the opponents of the Kerr-Coolidge bill are conducting a campaign of vilification, slander, and misrepresentation of facts. The only immediate effect of this un-American campaign is to create a situation among the foreign-born people living in the United States from which this country will be a long time recovering. A reign of terror has been created by the unthinking threats of mandatory and wholesale deportation of all aliens.

Now, for a few moments, let us calmly consider the benefits to be secured by the prompt enactment of the Kerr-Coolidge bill. In the first place, let me say quite frankly that this is the first major legislative proposal in many years, dealing exclusively with aliens subject to the immigration laws who are living within the United States, which has received favorable action by the committees of both the House and the Senate so as to have both the Senate bill and the House bill on the calendars of both Houses of Congress at the same time.

In the second place, let me emphasize the fact that the enactment of the Kerr-Coolidge bill will not enable any alien in any foreign territory to secure admission to the United States, unless that alien is right now entitled to admission under provisions of the immigration laws as they now exist. In the third place, let me assure you that this bill will decrease the number of lawful admissions of aliens, who have never before been in the United States and who seek entry after the enactment of this bill as quota immigrants. This result is obtained in two ways: first, every alien in the United States who is permitted to remain here pursuant to provisions of this bill will be deducted from the quota of the country of which such alien is a native, and so if he remains here he prevents some other native of his country from coming here as a quota immigrant; second, the preference under the quota now enjoyed by skilled agriculturists and their wives and minor children is repealed by this bill, so that hereafter those aliens will only be entitled to come here as quota immigrants without any preference quota, and this will have the effect of keeping most of them out until they can secure a regular quota number.

The enactment of the Kerr-Coolidge bill will not change or repeal the existing provisions of the immigration law requiring the mandatory deportation of alien criminals, anarchists, Communists, violators of the Federal narcotic laws, who are not only narcotic addicts, or persons in the immoral classes subject to deportation. Nor will the bill extend to these classes of aliens any benefits whatever not now enjoyed by them under existing provisions of law.

Four new classes of criminal aliens, who are not now subject to deportation under existing law, are added to the deportable classes. But, because of the drastic provisions created by that law, it is necessary in the public interest to authorize the use of limited discretion as to the actual deportation of aliens in these new deportable classes. Other provisions of the bill will greatly increase the apprehension and detention of aliens thought to be subject to deportation until a proper warrant is issued for their arrest. This will rid our country of some 20,000 criminals.

This will attempt to treat the alien in the noncriminal classes, whose status under the immigration law is questionable while he remains here, as though he were a normal human being, and gives him a chance to have his status adjusted without undue expense or delay, so that he may not be forced to leave his home and fireside in this country. His status will be adjusted so that he will be in a position to proceed under our naturalization laws and eventually become a citizen. The Kerr-Coolidge bill, however, does not grant citizenship, either directly or indirectly, to any alien whatsoever.

One of the major objections expressed by those opposed to the Kerr-Coolidge bill is that it grants discretion to be exercised in certain limited groups of deportation cases. I feel the advocates of the Starnes-Reynolds bill, who oppose the authorized use of discretion under the Kerr-Coolidge bill, are not as sincere as they might be.

My reason for this statement is that in the Starnes-Reynolds bill will be found a vastly more extensive grant to use discretion when it authorizes consular officers abroad, in their judgment, to deny visas to aliens who are unable to pass the consul's intelligence test as to whether or not the applicant for a visa has—and I quote—"intelligence equal to a normal rate of an average sampling of native-born American white stock." In other respects this bill abounds in discretionary features.

I consider one whole portion of the Starnes-Reynolds bill, namely, that portion which seeks to establish permanent fingerprinting records and registry of all aliens in the United States, as a particularly vicious proposal at this time. This proposal, if enacted into law, would definitely establish an alien bloc in the United States on un-American principles. The alien would become a self-conscious member of a group set apart by operation of law from the citizen neighbors in each community and the ready assimilation of such aliens into the United States citizenship would be rendered vastly more difficult than it is under existing provisions of law.

I can think of no more fitting way of closing my remarks than reading to you a little quip from the New York Times entitled "One Good Plan": "One earnest lady would solve the unemployment problem by deporting 7,500,000 aliens and give their jobs to 'Americans.' Actually the results may be even more gratifying than she anticipates. For instance, sending 7,500,000 people out of the country means a great many new jobs in shipping and shipbuilding, and land transportation of all kinds. There will also be hundreds of thousands of new jobs for watchmen to keep an eye on the millions of homes deserted by the deportees. But this is not all. Actually there are fewer than 3,000,000 unnaturalized aliens in the country over the age of 21. If we are to deport 7,500,000 aliens, we shall have to begin by first importing about 4,000,000 of them; and this again means a boom in transportation employment. It may be, of course, that this earnest lady expects to get her 7,500,000 aliens by first depriving all naturalized citizens of their citizenship rights and making them real 'foreigners.' That would create at least a million new clerical jobs. The more you look at the scheme the more wonderful it becomes."

FLOOD CONTROL ON THE MISSISSIPPI RIVER

Mr. WILSON of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, with House amendments, insist on House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none and appoints the following conferees:

Mr. WILSON of Louisiana, Mr. WHITTINGTON, Mr. GRISWOLD, Mr. RICH, and Mr. ENGLEBRIGHT.

MEDALS TO MEMBERS OF BYRD SECOND ANTARCTIC EXPEDITION

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 209, authorizing the presentation of silver medals to the personnel of the Second Byrd Antarctic Expedition.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. RICH. Mr. Speaker, reserving the right to object, was that handled by any committee; and if so, by what committee?

Mr. ROBERTSON. The Naval Affairs Committee. The Senate unanimously passed the bill and it was handled by the Naval Affairs Committee, and it carried no appropriation.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read as follows:

Resolved, etc., That the Secretary of the Navy be, and hereby is, directed to cause to be made at the United States Mint such number of silver medals as he may deem appropriate and necessary, respectively, to be presented to the deserving personnel of the Second Byrd Antarctic Expedition that spent the winter night at Little America or who commanded either one of the expedition ships throughout the expedition, to express the high admiration in which the Congress and the American people hold for their heroic and undaunted accomplishments for science, unequalled in the history of polar exploration.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONOPOLISTIC MOTIVES OF THE CORPORATE CHAINS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOUSTON. Mr. Speaker, during the first session of the Seventy-fourth Congress, the Honorable WRIGHT PATMAN introduced a bill making it unlawful for any person engaged in commerce to discriminate in price or terms of sale between purchasers of commodities of like grade and quality, to prohibit the payment of brokerage or commission under certain conditions, to suppress pseudo-advertising allowances, to provide a presumptive measure of damages in certain cases, and to protect the independent merchant, the public whom he serves, and the manufacturer from whom he buys, from exploitation by unfair competitors.

The Patman bill does not propose to prohibit an entire business, nor even an entire class of transactions. It only imposes certain limits of security upon the transactions to which it relates, within which limits full latitude remains for all sound economic processes and beyond which limits the evils at which this bill is aimed are characteristically found.

Those evils may be summarily stated as the abuse of the large buying power controlled by a few large purchasers to extract from manufacturers and other selling sources, price preferences and discriminatory allowances not justified by any sound economies in the distinctive methods of selling and servicing those customers; allowances which the seller, therefore, cannot afford to grant proportionally to his entire trade, since to do so would reduce his revenues below the reasonable net profit; discriminations, therefore, which the seller can grant only because they are discriminatory; that is, only because they are counterbalanced by sales to other customers at higher prices from which the seller can recoup such part of his reasonable net profit as he loses on sales to the preferred customers, and which he must in the long run recoup somewhere to justify his continuance in business; discriminations, in short, which for these very reasons can be granted to a few only at the expense of the remaining customers of the same seller.

The bill is to help the manufacturer to resist the unfair demands of the large buyer. He grants these demands only under fear of losing the business to some other competitor who will grant them if he does not. The more able he is made to treat all customers alike, the better and more efficiently he can organize and conduct his business, and the more easily can he do business at a profit, and at the same time grant his customers, and through them the public whom he serves, a share in his economies through reductions in prices.

The right of the chain stores and mail-order houses to do business is recognized, and the Patman bill would not destroy them unless they depend for their existence upon unfair concessions and discriminations. So far as they are able to perform the sound, economic function of bringing the necessities and adornments of life from the producer to the consumer on a basis of equality with independent merchants, it leaves them with the same freedom as the independent. But anyone familiar with chain-store buying power and its ruthless use need not be told that the chains are already getting any price differentials supported by differences in cost. The evil lies in the fact that they are getting much more. They are getting concessions, discriminations, rebates, and other differentials representing neither savings to the seller nor service value to the consumer public; and they are getting them only by virtue of their power to bludgeon the manufacturer into granting them under threat of loss of the large business which they are able to control. Insidious methods are sometimes employed to render these tactics still more deadly. Spies are placed or subsidized in banks, in the manufacturer's own offices, or in other quarters of confidential information to learn when his notes are falling due, so that a large offer of business or a threat of its withdrawal, with consequent gain or loss of case resources, may be laid on the manufacturer's doorstep at the critical moment. This bill would protect the manufacturer against such victimization.

The report of the Federal Trade Commission contains interesting information as to the methods of the corporate chains in dealing with manufacturers:

Two of the large chain companies do not place orders with a certain manufacturer because of its refusal to allow brokerage. Another manufacturer reported that it does not sell to two chain companies because they operate commission establishments or buying agencies which demand a brokerage fee on all purchases.

One or two manufacturers, stating that coercion had been employed to force the cutting of prices, said that if the customer has a large order and demands a cut price, the company often is required to meet the demand or lose the business to its competitors. The other stated that the large chains chisel a substantial percentage from the net invoices of every order placed.

One manufacturer reported that some years ago it made extensive sales to a chain, but that the demands of that chain became so excessive that it was forced to stop selling the chain. The chain in question had built up the volume of its purchases to about 40 percent of this manufacturer's output, and then suddenly demanded larger concessions, which the manufacturer was forced to grant or else have its production curtailed to that extent. As a result of this experience the manufacturer built up a trade with small jobbers to avoid being forced to make concessions. Another manufacturer reported that a chain company refused to handle its products unless the chain was given a free-goods allowance. Another manufacturer stated that an arrangement is in effect with one chain company whereby a percentage of net invoice price is rebated. Still another manufacturer was forced to grant concessions to a chain by threat that it would discontinue its purchases and manufacture its own products unless it were granted a preferential price.

Among the evils prevalently found are, first, the grant of quantity discounts exceeding any marginal-cost differences between the customers concerned—that is, unsupported by differences in the cost of manufacture, sale, or delivery resulting from the differing methods of quantities in which such commodities are to such purchasers sold or delivered; second, the payment of brokerage by the seller to dummy brokerage concerns owned and controlled by large buyers and serving the latter's interest; third, the grant of advertising and similar allowances which are either out of relation to the value of any service or facilities rendered in exchange or which, in any case, result in saddling onto the seller the burden of the preferred customers' advertising cost, whereas his smaller competitors must sustain their own.

It is in these three fields, accordingly, that the Patman bill visits its restrictions; and to them those restrictions are carefully limited, leaving full latitude as follows: First, for differentials in prices or terms wherever they furnish an apt vehicle for the transmission of real comparative economies through the channels of distribution to the ultimate consumer; second, in the payment of brokerage wherever the brokerage function offers a real economic service and where it is paid by the one who really benefits from that service to the one who actually renders it in his behalf; third, in the

use and compensation of all legitimate advertising and advertising services wherever it is really desired as advertising, and not to cloak the grant of a competitive advantage to one customer as against another.

Fifteen years ago chain stores were doing only 4 percent of the retail business of this country. In 1929 chains did 20 percent; by 1933 the ratio had increased to 25. Independents, which did 77 percent of the total business in 1929, accounted for 71 percent in 1933. The sales of independents decreased 53 percent, whereas the sales of chains decreased 35 percent. In 1933 there were 26,000 fewer independent stores than in 1929.

Before the onslaught of big business, 300,000 independent dealers have gone down, and unless the movement toward centralization is checked, 500,000 more are due to follow them. Eight hundred thousand men, each the master of his own store, men who have spent their lives learning merchandising, who know the peculiar needs of their own customers, who love their communities and have given a helping hand in their development, who cherish the institutions of their country because those institutions have enabled the individual man to develop, to grow, and to achieve—these 800,000 masters must become servants, employees of great chain corporations, cogs in a soulless and conscienceless machine, robots of distribution, receiving and obeying orders from the great city, directing them what to sell, how to sell it, and how much to sell it for. That is the prospect that is due to face the American people.

There is no economy in commercial piracy. It may enable a few men to amass a fortune, but to the great mass of the people it spells a total loss. The consumer is best served when he buys his goods from day to day at honest prices, allowing a fair margin of profit on every item, a profit that will enable the manufacturer, the jobber, and the retailer to continue doing business, competing with others in a fair and honorable way. Whenever a manufacturer or a merchant fails as a result of unfair competition, the loss ultimately falls on the consumer. The bankruptcy of many producers and distributors may mean temporary savings for the patrons of bargain counters; but ultimately it results in monopoly for a few producers and distributors, who will charge the public a price limited only by what the market will bear.

We have enacted laws to prevent railroad companies from giving rebates to favored shippers. We require warehouses to charge every man the same price for storing grain and other commodities. We make telephone companies maintain a uniform schedule of rates. We revoke the licenses of insurance companies if they collect different premiums from different policyholders for the same risk.

Why should not the principle of fair dealing which has been adopted for the protection of those who use the railroad for transportation, the warehouse for storing commodities, the telephone for communication, and insurance for protection be extended to protect those who buy merchandise and those who sell it?

We prohibit discrimination because discrimination lifts the burden off a favored group and places it upon the rank and file. We prohibit it because when some pay less than a fair price others pay more. We prohibit it because discrimination is the mother of monopoly, and H. R. 8442, a bill to amend section 2 of the Clayton Act, is aimed at monopolistic motives.

I find no fault with the principle that the fittest should survive, but I protest with all the emphasis I can command against a misinterpretation of that principle which gives advantage, not to the fittest but to the strongest and the craftiest. Civilization puts the emphasis on right rather than on might. The powers of government should be used to make business civilized.

STATE CONVENTION OF YOUNG DEMOCRAT CLUBS AT DAVENPORT, IOWA

Mr. JACOBSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD to include a speech made by my colleague, Mr. WEARIN.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JACOBSEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Hon. OTHA D. WEARIN before the State convention of Young Democrat Clubs at Davenport, Iowa, on May 18, 1936:

Mr. Chairman and Young Democrats of Iowa, I am honored and delighted with this opportunity of addressing the State convention of Young Democrat Clubs in my home State. Permit me to congratulate you upon the splendid sessions you have been having here in Davenport. I want to go further than that and say I think this organization represents one of the most powerful factors in the national affairs of the Democratic Party. I say that, not because I am one of your number myself and a member of various of Young Democratic Clubs in my State, but because I really believe what I say.

Before entering upon a discussion of national affairs and the relationship of our group to the important questions of the hour, I want to say that I take particular satisfaction out of speaking in Davenport tonight, located as it is in the Second Congressional District of Iowa, represented in Congress by my able and beloved friend, the Honorable BERNHARD M. JACOBSEN, of Clinton. I will never forget my first meeting with him at Des Moines while I was a member of the Iowa State Legislature, and I recall with satisfaction the many courtesies extended to me by him and his secretary during my first freshman days in Washington and throughout the balance of my service in my present capacity. As you know, Mr. JACOBSEN is a member of the powerful and important Committee on Appropriations of the House of Representatives. His splendid work has brought him the admiration of the leadership and placed him in such a position that he is remarkably influential in our national councils of state.

Again I want to repeat that the invitation to address this splendid group of young men and women of my own age has brought a thrill that one seldom experiences. I have been a candidate for public office for a number of years, and in every instance have felt the powerful influence of the Young Democrats, who have stood by me and fought for me in a splendid manner.

The Nation is fully aware of the influence of the group in campaigns that are past and that are still in the offing. Nothing delights me more than to see members of our group interested in public service and offering themselves at the respective primaries and general elections for public office. Let no one discourage you in your ambitions with the statement that you are still too young. I have been guilty of that so-called damnable crime for a long time but have borne up under its weight without feeling any particular disadvantage from it. If I had the time tonight I would go back, as I sometimes do, and trace the history of world affairs singling out a few of the younger men and women who have participated in important events. I shall say briefly, however, that it is always encouraging for us to remember that Sir William Pitt, one of England's greatest statesmen, was a member of Parliament at 21, Chancellor of the Exchequer at 23, and Prime Minister and practically ruler of all England at 25. Many of the leading founders of this Nation, including Thomas Jefferson and Alexander Hamilton, who represented the two schools of political thought of the time, were still in their thirties when the Declaration of Independence was written and the Constitution of the United States in the process of formation. William Jennings Bryan, who probably had a longer reign of influence in Democratic politics and in national affairs than any other man in American history, was nominated for the Presidency the first time when he was 36 years of age. Theodore Roosevelt was in his early forties (I believe 43) when he succeeded to the Presidency the first time. Today the New Deal has recognized a splendid group of young men in positions that range from the heads of important New Deal agencies to assistant secretaries of the respective departments, including my good and able friend, Charles West, of Ohio, at the present time Assistant Secretary of the Interior.

I would call this fact to your attention: That in the United States Senate and the House of Representatives at the present time is a sizable group of young men which, at the beginning of the Seventy-third Congress, to which I was elected, ranged in age from 28 to 40. Very frankly, as I look back over the achievements of the past two sessions and the contributions that have been made to the welfare of the Democratic Party, making allowances for the seniority of the leadership, I am just as well pleased to be a member of that younger group as I would be if I were a member of the older group.

But to get to the business of the evening: There are just a few things I want to bring you tonight in the way of a message from the Capitol. After 4 years, during which the Democratic Party has been in control of every branch of the Government with the exception of the Supreme Court, we have witnessed a startling rise, a phenomenal improvement, in the morale, and the economic condition of the United States. It is unnecessary for me to refer before this well-informed group of young men and women to the condition of the country in 1932 at the time we succeeded to power, with your aid and assistance. I feel that we should not take the time to discuss in detail the bankrupt condition of American agriculture, suffering from 10-cent corn and 2-cent hogs, the desperate state of American banking, the ruined condition of business as a whole,

and the greatest load of unemployment that America has ever carried. Out of that chaotic condition a great President has brought order and progress. At this moment I pay tribute to the great leader of the Democratic Party, Franklin D. Roosevelt.

As I survey the national scene tonight I see a striking change just as you do. I see an improvement in American agriculture that has increased its income from approximately five billions in round numbers to what will probably be in the neighborhood of nine billions this year. I see a restoration of industrial activity which is astonishing. Every day I pick up publications, some of which are hostile to the program, read their vicious and vitriolic editorials, and turn to the business sections to find a series of headlines that read something like this: New building boom forecast by experts; bonds improve on wide front; stock prices advance under market boom; further increase in agricultural income predicted for 1936; steel output best since 1930; automobile sales peak record smashed; oil company net rise for quarter; tobacco industry higher for week, and so on through a long list of similar improvements that cover almost every industrial field of activity.

Now, my friends, in view of the fact that we are young men and women, I feel it might be proper for me to direct my attention a little more to the New Deal of tomorrow rather than the New Deal of today, with which you are just as familiar as I am. Not even the most pessimistic and partisan of our opponents dares to dispute the truth of the headlines I have just quoted to you. You know, as I do, that many factors have entered into securing the results we have sought and gained. The only argument that can be used today is that being promulgated by the vested interests of this Nation in the thought that fear dominates the country as a result of the program. In the first place, can you imagine American business and American people being afraid of the economic improvement that has taken place under the New Deal since 1932? Such a supposition is absurd, but let us pause for a moment and see what the pessimists are afraid of.

A few days ago I met a reactionary on the streets, living in a dreamland of long ago, when personal liberty could be used to the extent of capitalizing upon the very souls of the masses who work for a living with their hands and who form the foundation of America past, present, and future. He told me that American business and the American public are afraid to go ahead because of the acts of the present administration. I said, "What are they afraid of? Are they afraid of having their bank deposits guaranteed up to \$5,000, are they afraid of having their homes saved when private financial institutions fail to save them, are the people of America afraid of having the uncertainty of poverty in old age swept aside with social-security legislation, are they afraid of being protected in their dealings in securities, are they afraid of having their national wealth increased with a program of self-liquidating public works, are they afraid of a power-development program to bring cheap electricity into homes that are warped with drudgery, are they afraid of legislation to prevent the over-capitalization of industry that heretofore has resulted in their being fleeced out of millions of dollars for worthless watered stocks and bonds, are the American farmers afraid of 75-cent corn, \$1.25 wheat, 10-cent hogs, 14-cent cattle, 11-cent cotton, and 18½-cent tobacco, as compared to 9-cent corn, 20-cent wheat, 2-cent hogs, 4-cent cattle, 6½-cent cotton, and 10½-cent tobacco in 1932, are they afraid of having their farms refinanced at a saving of from 1 to 1½ percent; are they afraid of Federal loans on their agricultural products affording them an opportunity to await the arrival of satisfactory market conditions; is anyone afraid to have the unemployed of this Nation fed through the productive agency of the Public Works or Works Progress Administration until such time as American industry becomes sufficiently rehabilitated to absorb them; is either the American public or American business afraid of the generally improved economic conditions since the advent of the New Deal, as evidenced on the market pages of every newspaper in the United States, be it hostile or friendly to the program?"

Out of today always comes another day, and no one is more interested in that prospect than the young Democrats of America. We have advanced this far, now where do we go from here? As I view the national scene today I think there are three important issues in the welfare of this Nation that we must continue to meet and deal with in the future. American industry, including agriculture, in which we of Iowa are so vitally interested, and all lines of business activity in the United States can be traced directly to these three important items. One is the tariff, another is the national attitude toward the question of electric power, and the third is the matter of employment. Now let us pause for a moment to consider: That great idealist and staunch believer in the principles of democracy, Woodrow Wilson, once said with reference to the tariff, that the whole question and its relationship to business reminded him considerably of the man who entered the city of Boston for the first time, that you know is notorious for its winding streets. He approached a party near the station and said, "My friend, I am a stranger here. Can you direct me to the Commons?" The reply was, "Yes; I can. Take any one of these streets going in any direction, follow it, and eventually you will come to the Commons." So it is with American business. It is all closely associated with the question of the tariff. I shall not trace the history of the tendency of the leadership of the Republican Party throughout over half a century to instill in the minds of the American people the necessity of high protection. They, those leaders, were quite successful in doing it on the ground that the standard of living in America must be protected. They even sold the farmers and the laboring men upon digging down into

their jeans to pay the bill to the industrial interests of this country on the theory that they were profiting themselves from the added cost.

The rates of protection rose higher and higher until eventually they reached their climax in that monstrosity known as the Hawley-Smoot Tariff Act, saddled upon the country during the administration of Herbert Hoover. Because of the terms of that act other countries were led to adopt similar nationalistic policies and to erect retaliatory tariff walls. When America could no longer sell her goods in the face of such opposition she was naturally forced to curtail her industrial production, which she did, with the subsequent result that workmen were thrown out of work by the millions. Their purchasing power thus destroyed was no longer brought to play to absorb agriculture's surpluses that in turn rose higher and higher, and we had the phenomenal condition in America in 1932 of millions of men and women crying for bread, the graineries of the Nation full to overflowing, and the producers of food commodities bankrupt.

We must remember that the United States is a surplus-producing country with reference to all her major agricultural products. Under those circumstances a tariff on such things, which has been used as a sop to convince representatives of agricultural districts to vote for industrial tariffs has been useless. We cannot expect a tariff on such surplus products to have any effect upon the market price except at such times when seasonal shortages might leave the American market with an inadequate supply of its own products. Our only hope for the future of the American farmer is to stimulate our foreign trade to such an extent that it will absorb our surpluses, or else adopt the temporary program of crop limitation as a permanent policy, which is not in harmony with the principles of the Democratic Party and is being used only at the present moment as a stopgap until we can correct such evils as were forced upon us under the Hawley-Smoot Act and similar atrocities.

In my humble judgment, the only way that we can expect permanent and extensive prosperity for American agriculture and for American industry, which has the same capacity to produce surpluses over and above the needs of the American market, is to develop our foreign trade. We cannot do that on a cash basis without absorbing all the financial resources of the world, which would be a disastrous thing. We cannot extend credit as a permanent program without also exhausting that resource, and thus the only other procedure is to stimulate the trade of this Nation with other countries of the world on the basis of exchange.

Now, I know the opponents to this particular program will say that the importation of foreign products into this country by way of exchange will lower the standard of American living, be a detriment to labor, and otherwise complicate our economic program. In the first place, I want to remind you that the most complete economic collapse we have ever witnessed occurred during the administration that preceded this one, and under the provisions of the highest protective law in the history of the United States. I want to remind you that when we cannot continue to do business for cash or credit indefinitely, which is obvious, we must arrange some program of exchange in order to absorb our production of foods and manufactured articles. It is better that we buy some products and keep our factories running and our farms producing than to witness the unemployment and bankruptcy that prevailed in 1932.

I subscribe to the program inaugurated by that great statesman, Cordell Hull, of arranging reciprocal-trade treaties in which an effort is being made to gradually bring down trade barriers and build up the American market in foreign countries. We have agreed to approximately 10 of them with extremely satisfactory results. Let us take for example the island of Cuba. Prior to the erection of trade barriers Cuba absorbed a large quantity of American lard, a basic commodity of this country, but during the course of the operation of the Hawley-Smoot Act that particular trade sank to the infinitesimal quantity of \$818,116 in 1933 as compared to \$3,920,270 in 1931. Under the new program adopted by this administration on September 3, 1934, it is again on the rise and reached \$3,029,913 in 1935. I could go on through other lists of similar improvements of major agricultural products upon which we depend for prosperity, but time will not permit tonight. I can do little more than discuss the principles involved. If we can sell, and I firmly believe we can, surpluses of farm and industrial products to other countries through the agency of negotiated trade treaties in exchange for products that do not constitute the basic source of American prosperity or products that we do not produce at all it should be obvious to any thinking person that the business condition of this country would of necessity improve. If we can sell surpluses of pork, beef, wheat, cotton, tobacco, automobiles, steel, and other major products abroad we will establish a firm prosperity for American business. Farmers will have more money with which to keep the wheels of industry moving and that means work for the unemployed. A good example today is the renewed activity of farm machinery factories during the past 18 months.

Now, I know sometimes the ballyhoo artists like to get on the platform and weep crocodile tears because a boat load of Argentine corn has been delivered at San Francisco or Baltimore, Md. There has been an increase in the last 2 years of imports of Argentine corn, due to what? Due simply to the fact that the drought of the summer of 1934 occasioned a shortage in our own supplies that has not yet been entirely absorbed by our own production. When it has the Argentine will no longer be able to compete with our product, any more than it has in the past. One

of the major reasons for which is the matter of its quality. It is not of such a character that it can be used in commercial activities with the exception of a limited field.

Just at the moment the dairying interests are fearful lest they are going to be destroyed under the terms of the Canadian Treaty. They must remember, however, that the importance of the imports under the terms of that treaty have been greatly magnified. For instance the annual importation of butter from Canada will only amount to one-tenth of 1 percent of the annual amount produced in this country. All of which brings me to this conclusion: The young Democrats of this Nation should be vitally concerned with the continuation of a broad-minded program for trade development in the United States, under the terms of reciprocal-trade treaties enacted by the present administration for the purpose of stimulating our trade with the world. That policy can under the able management of Secretary of State Hull bring about the maximum of activity and, thereby, the employment of men who have been thrown out of work under the program of the Hawley-Smoot Tariff Act.

The other important question that I desire to bring to the attention of the young Democrats of this convention is the issue of the development of power in the United States, which has become of large concern to the welfare of every man, woman, and child in the Nation.

Investigations of the Federal Trade Commission have revealed the fact that the corporate interests have been guilty of selling millions upon millions of dollars of watered stocks and securities to the American public that have pyramided corporation upon corporation, adding costs in the way of salaries for Hopsons and his kind, interest on securities back of which there was no real value, and other costs that have resulted in the unsuspecting public having to pay excessive rates for their electrical energy which has kept down consumption of the product and denied to untold millions the godsend of relief that comes from having the drudgery of homework, farmwork, and heavy labor lifted from their shoulders by that all-important commodity. In a recent private investigation of my own I found that consumers in our district are paying as much as 18 and 20 cents per kilowatt-hour for electricity. The power companies will dispute that and say that their rates are 4, 6, and 8 cents, but I say the total cost to the consumer is represented by the rate per kilowatt-hour and other charges including service. The Tennessee Valley program has brought electricity to the consumers in that territory at striking reductions. Poor people who could never afford the commodity before are now in a position to use it. I find, for example, that a man in my territory who paid \$5.51 for 40 kilowatt-hours could have bought the same amount of current under the Tennessee Valley program for \$1.20. You can see from this that he could either reduce his total annual charges under such a program to a marked extent or for the same amount of money he could bless his wife and himself with the advantages of other needed conveniences. I selected this single example from a large number in my files because of my lack of time tonight. I say to this assembly of young Democrats that you should have the courage to stand up against the powerful influence of the moneyed interests of the Nation who stoop to any method to intimidate their opponents and fight for the advancement of the power program of this administration that will bring rural electrification and electrification of homes in towns and cities at prices that the people can afford to pay.

As one of the solutions of our problem in Iowa I have offered the United States Congress a Missouri Valley power development project that would be similar to the T. V. A. That great statesman, Senator GEORGE NORRIS, of Nebraska, has offered one for the whole Mississippi Valley which is commendable. The results would be similar to what I described a moment ago with reference to the typical example of a consumer's charges. Until such time as we can achieve that type of project, it will be necessary for us to advance under the Rural Electrification Administration through the agency of cooperative rural lines, made possible through 100-percent loans to such groups. Unfortunately, the Washington set-up of that group has not had the kind of cooperation from the heads of the extension department in Iowa that they should have had. County agents throughout the State have, however, endeavored to cooperate to the best of their ability and with their help the program is advancing. You can expect some of the newspapers of this State to fight me on this program either openly or through a more subtle method of opposing me upon some other issue. If you find such a publication swinging into action against me turn to its advertising section and you will probably find some large, remunerative ads paid for by the power companies. With reference to this issue I will say again to the young Democrats at this convention that it constitutes one of the major programs of the future that will be a godsend to the common people. It is your duty and mine to stand behind Franklin D. Roosevelt and see that it marches forward.

The third major problem which will be with us for years to come as a result of the economic chaos into which we were plunged by the previous administration is the matter of unemployment. Millions of men were out of work when we took control of the Government. Right here and now, I want to say it is unfortunate that we have been forced to spend so many millions to insure them of food and clothing, but what is more unfortunate is the fact that a condition ever existed in this rich Nation that made it necessary for us to spend those millions to keep them from starving and freezing.

We have advanced a program of public works with the thought in mind that in addition to employing the men who were unemployed we could at the same time give to the Nation a constructive series of improvements that would increase the natural wealth and the values of the respective communities. Now the small carping critics who do not have the mental capacity to view this program on a national scale can select some individual project, and it is impossible for so vast a program to be perfect in every respect, and condemn it perhaps with some justification; but we, as young Democrats, should impress upon the public that it is the program as a whole that counts and not a specific mistake that has been made. I used to say to the audiences in our congressional district with reference to it that my wife was, generally speaking, an excellent cook. Once in a while she will make some pancakes for breakfast that are terrible, but I have never divorced her because of that individual mistake and am not going to, because, as I said before, generally speaking she is an excellent cook. That analogy will apply to the whole program about which I am talking at the moment. The entire situation, of course, all traces back to the principal point of my discussion, namely, that the trade of America is of the utmost importance. Through it we hope and have reason to believe that the prosperity of agriculture and industry will be restored. When that time comes the greater portion of the people who are out of employment will again be carrying their dinner pails to work and their wives will be singing happily in their little homes. While we are in the process of working with these major things in the future, and their advancement will rest entirely in the hands of men and women like yourself, of our own age, we will couple with them such other things as contribute to the permanent welfare of the country that I have already mentioned in the way of old-age pensions, unemployment insurance, regulation of stock exchanges and other things for the protection of the general public.

As I look out over this assembly of young men and women I am encouraged. I feel confident after watching the people of my own generation in action in public office that we will be able to meet and cope with these problems and that America, thank God, will continue to live.

THE COMING ELECTION

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks by including a radio address I gave over a station in Detroit, Mich.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOOK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered by me over Station WMBC, Detroit, Mich., May 18, 1936:

Next November the people of the United States will be called upon again to make their choice of a President and Congress. We have been told that the coming election is the most important since the election of Lincoln in 1860. This is true. Never since the days of the Civil War have the people of our Nation been faced with issues more fundamental than those presented to us today. We are entering a new age and policies are to be chosen to mark the course we are to follow in the future.

This much we have all learned from the lessons of the post-war decade of reckless and unsound prosperity and the bitter days of depression and privation which followed the collapse of the boom; that no longer can there be permitted in America unbridled exploitation either of natural or material resources or of human beings. We have learned that no longer can we afford to permit eight-tenths of 1 percent of our entire population to receive over 20 percent of the national income, while 60 percent of our families receive less than enough to supply them with the basic necessities of life. We have learned that the problem of unemployment resulting from technological efficiency and from the maturing of our economic system cannot be solved by a refusal to recognize that it exists. We have learned that America as a nation cannot afford to permit her millions of farmers to labor year after year for a return less than the cost of production. We have learned, in short, that there was something radically wrong with the method by which the fruits of our civilization were distributed among our people.

The American people have thought deeply during the past half dozen years, and I am confident that no return to the pre-depression system of inequality, privilege, and exploitation will be permitted. The American people in 1932 demanded and obtained an end to a system that bred insecurity and they will in the coming election again demand that our political parties face the facts of our economic and social life.

What are these facts? Briefly these: We are a Nation providentially provided with all essential material resources and magnificently equipped to produce an abundance of those goods and services which are required for a decent standard of living. So long as millions of our people are in want there is no place in America for idle men or idle factories, for America is technically and materially equipped to produce plenty for all. It is up to us to see that plenty is produced and distributed for the benefit of all the people of the Nation. It is up to the leadership in our Nation, both industrial and governmental, to so order our economic life that opportunity will be maintained for our youth,

jobs for our laborers, adequate prices for our farmers, and security for our aged and those who are physically handicapped.

These are the facts which condition the thinking of our new age. They place upon the political parties of our Nation a grave responsibility, for it is the peculiar function of political parties in a democracy to formulate and define the issues as to choice of policy in order that the electorate may choose wisely. The American people are alert to the significance of the coming election and they are demanding that our parties face the facts and declare their position in positive, clear, and intelligible terms. There must be no equivocation, no weasling, no evasion. Any party that refuses to face our social and economic problems and refuses to give to the people a program for dealing with these problems in a sham and a pretense, a mixture of hypocrisy and cowardice.

I pause to ask the question as to what answer the leaders of the Republican Party have given to the problem of maldistribution of wealth, to the problem of unemployment, the problem of social and economic security? The Republican Party has proposed no positive program. The course of the G. O. P. has been one of negation and of empty criticism of the constructive achievements of the New Deal. The Republican leaders have nothing to offer the Nation except a return to the days of 1929, a return to the conditions of exploitation and insecurity, to those days of growing unemployment, financial debauchery, and depressed agriculture.

The leaders of the G. O. P., subsidized by funds from those who profit by the law of the jungle, have talked much but said nothing of a constructive nature. True, I'll admit, even the Republicans find it difficult to criticize some phases of the New Deal. The Republicans very generally voted in favor of the Social Security Act and the Federal Housing Administration Act. They raise no objection to the C. C. C. program. No fundamental objections has been raised against the policy of soil conservation. Herbert Hoover in one of his recent speeches even went so far as to claim credit for having originated the present farm program. The fact is, of course, that for 12 long years from 1920 to 1932 the leaders of the Republican Party resisted with every means at its disposal the enactment of a farm program that would be of real benefit to the farmers of this Nation. Yes; the Republican leaders now, after the Democratic New Deal has pointed the way, accept the necessity for the protection of our farmers by the National Government.

I could point out numerous instances of our Republican friends who have attempted to capitalize on the popularity of New Deal reforms—our junior Senator from Michigan [Mr. VANDENBERG], for instance, who speaks in such glowing terms about the New Deal establishment of protection for our bank depositors. I have but one question to ask of these Republican leaders who now recognize that reform in the interest of the people was long overdue in 1932: Why did not they when in power during the first 4 years of the depression take the initiative in proposing the reforms which they now support? The answer is, of course, that the leaders of the G. O. P. are controlled by those who supply the funds for the Republican Party, the bankers of Wall Street, the Du Ponts, the United States Chamber of Commerce, the utility companies, and others of our industrial and banking fraternity. These men wanted no reform, and the G. O. P. was helpless and still is. The trouble with the Republican Party is that it has been dying of sleeping sickness.

The New Deal promised relief for those millions of our people who were brought face to face with starvation by the Hoover depression. That relief was and is being given. The New Deal promised to take steps to set into operation the forces of recovery. This job, too, has been done and better days are at hand. The purchasing power of the people has been raised and factories, mines, and mills long idle are again in operation. I need not in Michigan point out the evidences of our remarkable recovery during the past 3 years.

The income of the farmers of our Nation has been raised by \$2,000,000,000 and the farmers are again buying automobiles. For every 10 automobiles registered in 1932, there are 42 registered today. Automobile production is up by 70 percent in the last 4 years. New plants are being built in many Michigan cities, and for the first time since the Hoover depression factories are running behind in their orders. Employment in the automobile industry is up to 98 percent of what it was in 1929. It is estimated that over 4,500,000 cars will be produced this year, 90 percent of them in Michigan. In a sense, more than three-fourths of the people of the United States travel with their feet on a part of Michigan, for the floors of 90 percent of their cars and the chassis beneath are made in Michigan factories, by Michigan workers, largely from Michigan iron and timber. Increased automobile production has stimulated activity in the iron mines and the lumber industries. We are proud that our great Michigan industry is well back to normal, and as a Democrat I am proud that the New Deal has made possible the reemployment of thousands of men who were without work.

Michigan farmers, too, have come back. During the Hoover panic year of 1932 Michigan farmers received as the total for all livestock and crops produced but \$118,567,000. In 1935, after 3 years of the New Deal, the total cash income for the farmers of our State had increased to \$177,000,000, an increase of almost 50 percent. In 1932 the Michigan farmers were crushed beneath a burden of debt and taxation. Since the Democratic administration came into power, taxes on farm property have declined 60 percent and

foreclosures have dwindled. There is every indication that progress will continue toward full recovery in 1936 with the reelection of that great and glorious leader, Franklin D. Roosevelt.

One of the outstanding achievements in Michigan has been the increase of alfalfa acreage, in which Michigan now ranks second in the Union, an increase from 75,000 acres in 1919 to 1,000,000 acres in 1935. Michigan ranks second in the production of sugar beets, increasing her acreage 100 percent from 1931 to 1935. Michigan ranks first in the production of field beans, the value of this crop increasing from \$5,363,000 in 1931 to nearly \$10,000,000 in 1935. In potatoes, Michigan took second rank in the Nation in 1935 with a crop valued at \$12,492,000. Before the New Deal in 1931 the potato crop brought Michigan farmers but \$4,331,000. Michigan's cherry crop increased in value from \$608,000 for the Republican panic year of 1932 to \$1,622,000 in 1935. Michigan leads in cherry production; Michigan leads in onion production; and we are the first pickle-producing State in the Union. Does this look like the reduction program that the Republicans cry about? These are the facts that Brucker criticizes. Oh, let him spread the gospel of truth, not lies.

I repeat, Michigan farmers have come back, our acreages have increased, the value of our crops has multiplied, and I submit that the remarkable recovery of our farmers was made possible by the farm program of the New Deal. The junior Senator from Michigan, the Honorable ARTHUR H. VANDENBERG, has seen fit to criticize the New Deal farm program. I ask him to explain the recovery of the Michigan farmers. Senator VANDENBERG has stated that the Democratic program has reduced farm production. I ask him to look at the statistics for Michigan. Senator VANDENBERG would like to have the farmers of Michigan go back to the days of 1929, to live again those days of misery and hopelessness. Our junior Senator should hang his head in shame for his picaresque criticism of real achievement. His criticism is a typical Vandenberg vagary.

Sanctity of our courts and freedom of the press, and criticism of the Roosevelt Democratic agricultural program are the main themes of Senator VANDENBERG, who apparently desires to implant in the minds of his hearers that these paladiums of liberty have in some way been endangered by the New Deal in bringing the Nation from the depths of the Hoover panic of 1932 to the present state of well-advanced recovery. The junior Senator from Michigan is an orator of the old school, the very epitome of pomp and circumstance as he paces back and forth upon the Senate floor—a champion full worthy of the pelf and power faction of the Old Guard. Hamilton is his ideal, about whom he has written two books—Hamilton who opposed the farmers and who looked upon the people collectively as a dangerous beast.

What alternative to the program of the Democratic administration which has made possible this recovery do the G. O. P. leaders offer? None. They criticize the New Deal for spending money and unbalancing the Budget. They forget that the Budget became unbalanced under Herbert Hoover, and they forget too that while Mr. Hoover did nothing to remedy conditions, President Roosevelt's administration has brought about an increase in the income of our people from thirty-five billion in the last year of the Hoover administration to sixty-five billion in the present year of Roosevelt recovery. The Budget of the Nation may be out of balance as to emergency expenditures, but the budgets of millions of our people have for the first time since the days of Hoover Republican depression been brought into balance.

Republican leaders charge that the New Deal has regimented the lives of our people, that our traditional liberties are about to be destroyed, that the Constitution has been perverted and democratic institutions imperiled. Our junior Senator, Mr. VANDENBERG, has often put on his best oratorical shows in criticism of this nature. Now, I ask you from what source has come this hue and cry about the loss of liberty? Does the man who has been kept from starvation by a Democratic relief program and now has a job because the Democratic administration has made possible recovery make the complaint? No; of course not. Labor and agriculture have not complained. Those who do complain are those whose unjustified control of the economic life of our Nation has been broken. Few people will see anything pathetic in one of the millionaire Du Ponts crying as to loss of liberty; the people know that to the Du Ponts and others of their breed liberty has meant freedom to exploit our workers and farmers. The Democratic Party is the champion of liberty not for the Du Ponts or the utility companies, but for the great mass of our people. The New Deal has recognized that without a basis in economic security and opportunity there can be no liberty. Economic enslavement under the old deal of the Republicans was an absolute denial of the benefits of civil and political liberty. The New Deal has broken the dominion of the ruling economic class in America and naturally has encountered the wrath and the propaganda of those who would block reform. They speak through their mouthpieces in the Republican Party. They refuse to meet our social and economic problems squarely; and hiding behind the Constitution, they attempt to frighten the people with talk about an unbalanced Budget. The Republican leaders refuse to face the facts, because facing the facts would expose the emptiness of their position.

It is well understood that reform under the New Deal will continue. It is not proposed that America will be remade, but it is proposed that conditions in America will be so ordered that the goal of economic and social security for all will be reached.

The farm program is well under way, and American farmers for the first time since the World War can feel secure. The

problems of labor have not been so completely solved. Technical efficiency in industry is constantly making necessary the employment of fewer and fewer men. It is estimated that industrial production has advanced 51 percent since January 1, 1933, yet unemployment has decreased but 30 percent. This means simply that to produce the same volume of goods today, fewer men are needed than were employed in 1933. Now it stands to reason that unless the worker's buying power keeps pace with the volume of production we cannot prosper. Our men must be given jobs, and it shall not be by scrapping the efficiency of the machine production. We cannot expect America to continue as a Nation with ten or more millions of our men unemployed. These men are red-blooded Americans with the same birthright as other American citizens. They must be given an opportunity to provide for themselves and their families. Among the rights of the workers is that paramount right to a job, and this right must and shall come before the right of privileged wealth.

Two proposals, mutually dependent, present themselves for our consideration. First, the income of our people must be raised so that a greater volume of goods can be purchased; and secondly, this increase in purchasing power can be best obtained by the employment of all of our people at adequate wages. This program entails a shorter workweek for the major industries with no decrease in wages, and perhaps with some raising of wages. It means the elimination of child labor. It means the giving of opportunity for vocational and higher education to our youth for a longer period than is now possible for most of the young people. This program means the elimination of the sweatshop and of starvation wages. It means the establishment of minimum-wage standards. It may mean a decrease in the rate of dividends and interest for a few corporations, but it will mean a greater security and a more abundant life for the millions of our workers and farmers. This program means the organization of labor into unions of their own choosing for the purposes of collective bargaining. It means the establishment of unemployment insurance, and I might say incidentally that our Republican Governor Fitzgerald has not seen fit to have the great industrial State of Michigan enact a law that will bring our workers within the scope of the New Deal Unemployment Insurance Act.

We need a Democratic Governor and a Democratic administration in the State of Michigan to properly institute and administer that program in sympathy with the national law and the New Deal.

Such a program means the establishment of old-age assistance for those workers who reach an advanced age. A beginning has been made in this program through the Railroad Retirement Act for the railway workers and through the Social Security Act for the people generally. The present old-age assistance program calls for Federal-State cooperation, the Federal Government matching the dollars paid by the States. The Federal Government has left the formulation of rules as to who should be eligible for assistance very largely to the States. I am sorry to state that our Republican administration, led by Gov. Frank D. Fitzgerald, has not given the State of Michigan nor the aged workers of Michigan an adequate old-age-pension law. Eligibility rules for qualification for assistance under the present law in Michigan make necessary in effect a pauper's oath. Small property holdings are to be turned over to the State. The amounts paid are pitifully inadequate. Now, it is recognized that Utopia cannot be gained solely through old-age-security legislation. But the right kind of old-age assistance can go far toward giving to our aged some recompense for a lifetime of toil and hardship. We must not treat those who have become old as if they deserved no consideration. Those workers who are old today made possible with the work of their hands and brains the efficiency of our society today. They must not be forsaken in the twilight of their lives. They must and shall be taken care of adequately and decently. The Michigan old-age-pension law must not above all require a pauper's oath, and it must not keep the aged on the verge of starvation.

Governor Fitzgerald's administration has failed, and I call on the voters of Michigan to cast their ballots next November for the party that has sponsored and begun our old-age-assistance program. That party is the party of President Roosevelt. Some Republican leaders of Michigan have of late been talking much about old-age assistance. I wonder why these gentlemen did nothing about the problem before 1932, when they had control of the National and State Government. The answer is, of course, that these gentlemen resisted reform as long as possible, and I submit that they are not fit persons to undertake the administration and development of a program to which fundamentally they are opposed and which they accept now only because it has become inevitable.

The issues facing us today have broken across traditional party lines. Under the leadership of President Roosevelt, the liberals have gathered in a final march against the forces of privileged wealth and power. Once again the forces of reaction using the Republican Party as their vehicle are throwing their resources into an effort to block reform. The coming election is clearly a battle between the rights of the people on the one side and the privileges of wealth on the other. Our fight is a fight for social justice, a fight for freedom of opportunity for the people of America, and the voters of Michigan must elect men to the Congress of the United States who are men of honor, independence, courage, and honesty.

This Nation does not want dictatorship, and it will not have dictatorship so long as the Representatives in Congress are free and honorable men. All too often we have had men in Congress

who have jumped at the crack of somebody's whip. No Representative can be worthy of the trust of the people who submits to the dictation of any selfish group, organization, or individual. He must be a man who will stand on and be bound by the principles of justice and equity as he sees them. Social justice will be obtained in this country only by maintaining the freedom of government, freedom of expression, and freedom of the ballot box. Democratic institutions will perish in America only when the representatives of the people are controlled by individuals or organizations, political or economic, and lose their identity as free agents to carry out the will of the people.

Founded in American tradition by those men and women who braved the wilderness and established our civilization is the precept that America shall always be a haven for the poor and oppressed, a land of opportunity where one may labor in security. The pioneers of America began the quest for social justice over a century ago. In our complex industrial age we must, in the spirit of the pioneer, continue their struggle until at last we have achieved a nation in which poverty and want are unknown.

GEN. CLARENCE R. EDWARDS

Mr. SMITH of Connecticut. Mr. Speaker, I ask unanimous consent to extend my own remarks by including a speech delivered by the gentleman from Massachusetts [Mr. CONNERY].

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Connecticut. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech of the gentleman from Massachusetts [Mr. CONNERY] at the dedication of the Gen. Clarence R. Edwards Bridge, between Lynn and Revere, Mass., on May 17, 1936:

I deem it an honor and a privilege, today, to be chosen by my own Yankee Division comrades to pay my humble tribute to the "Daddy" of the Twenty-sixth Division, American Expeditionary Forces, Maj. Gen. Clarence Ransom Edwards.

On April 20, 1936, I introduced in the House of Representatives House Joint Resolution 570. The resolution reads as follows: "Resolved, etc., That the President of the United States is hereby authorized to award posthumously in the name of Congress a Distinguished Service Medal to Maj. Gen. Clarence Ransom Edwards, who died February 14, 1931, after having organized the Twenty-sixth Division and commanded it with distinction during all but 18 days of its active service at the front. The high qualities of leadership and unflinching devotion to duty displayed by him were responsible for the marked esprit and morale of his command. To his marked tactical ability and energy are largely due the brilliant successes achieved by the Twenty-sixth National Guard Division during its operations against the enemy from February 4, 1918, to November 11, 1918."

The foregoing House joint resolution was reported favorably to the House by the House Military Affairs Committee on May 13, 1936, and I confidently expect it to become a law within the next few weeks.

The official record of the military service of General Edwards, as given by the War Department, is as follows:

"Clarence Ransom Edwards: Born in Cleveland, Ohio, January 1, 1859. Appointed from Ohio. Cadet, United States Military Academy, September 1, 1879. Second lieutenant, Twenty-third Infantry, June 13, 1883. First lieutenant, First Infantry, February 25, 1891. Transferred to Twenty-third Infantry, July 20, 1891. Major, Assistant Adjutant General, Volunteers, accepted (to rank from May 12, 1898) May 28, 1898. Vacated, October 1, 1899. Captain, Twenty-third Infantry, July 30, 1899. Assigned to Tenth Infantry, January 1, 1899. Lieutenant colonel, Forty-seventh United States Volunteer Infantry, Volunteers, accepted (to rank from May 12, 1899), October 1, 1899. Mustered out of Volunteer Service, July 2, 1901. Brigadier general, Chief, Bureau of Insular Affairs, accepted (to rank from June 30, 1906) July 2, 1906. Reappointed brigadier general, Chief, Bureau of Insular Affairs, June 30, 1910. Brigadier general (to rank from May 12, 1912), August 24, 1912. Major general, National Army, accepted (to rank from Aug. 5, 1917), August 22, 1917. Honorably discharged, major general, National Army, only, June 31, 1920. Major general (to rank from Mar. 5, 1921), April 27, 1921. Retired from active service, December 1, 1922. A. M., St. John's College, New York, 1891; LL. D., Middlebury College, Vermont, 1919; LL. D., Trinity College, Connecticut, 1919; LL. B., Syracuse University, 1920.

"SERVICE"

"He served with his regiment at Fort Union, N. Mex., from September 30, 1883, to June 2, 1884; en route to and at Fort Porter, N. Y., to August 29, 1884; commanding the guard at the grave of President Garfield, Cleveland, Ohio, to July 1, 1886; at Fort Porter, N. Y., to (on leave of absence June 11 to Oct. 9, 1889) May 10, 1890; while at Fort Porter he served as post adjutant and treasurer in addition to his other duties. On duty at Fort Davis, Tex., post adjutant and range officer to December 15, 1890; professor of military science and tactics at St. John's College, Fordham, N. Y., to October 31, 1893; on duty in The Adjutant General's Office, Washington (M. I. D.), to November 1, 1895; garrison duty at Fort Clark, Tex., commanding Company H, Twenty-third Infantry, in charge of post exchange and of post gardens, also post treasurer to August 27, 1896; quartermaster, Twenty-third

Infantry, commissary and ordnance officer to April 12, 1898; at New Orleans, La., regimental quartermaster, and ordnance officer, and acting adjutant general of provisional division, organized at that place to (resigned as regimental quartermaster May 12, 1898) May 23, 1898; adjutant general, Fourth Army Corps, at Mobile, Ala., Tampa, Fla., and Huntsville, Ala. (also mustering officer, Fourth Army Corps, from July 26 to Aug. 14, 1898), from May 25 to September 15, 1898; on sick leave of absence to December 4, 1898; adjutant general, Fourth Army Corps, to January 4, 1899, when he was ordered to report as adjutant general of the Department of Habana, Cuba; while en route to Habana, Cuba, via Washington, D. C., he was assigned to duty as adjutant general on the staff of Major General Lawton January 6, 1899.

"Although lieutenant colonel of the Forty-seventh Infantry, United States Volunteers, he never served with that regiment, having been on the staff of General Lawton up to the time of the latter's death, December 1899. Relieved December 18, 1899, and accompanied remains of General Lawton to San Francisco by transport, thence by rail to Washington, D. C., and on duty in the office of the Secretary of War as Chief of Division of Customs and Insular Affairs from February 12, 1900.

"While in the Philippine Islands he served in the following operations: General Lawton's Santa Cruz campaign; battle of Santa Cruz, April 9 and 10; battle of Pagsanjan, April 11, 1899; and minor engagements a few miles up the river from Pagsanjan, where, in command of a battalion of the First North Dakotas, he recovered four steam launches held by the insurgents; battle of Pacte, April 12, 1899.

"General Lawton's San Isidro campaigns; battle of Novaliches, September 22, 1899; first battle of San Rafael, April 29, 1899; second battle of San Rafael, May 1, 1899; battle of Balinag, May 2, 1899; battle of San Isidro, May 17, 1899.

"General Lawton's expedition to Province of Morong, June 2 to 8, 1899; battle of Cainta, June 3, 1899; engagement at Taytay, June 4, 1899.

"General Lawton's expedition to Province of Cavite, June 10 to 20, 1899; battle of Guadalupe Ridge on the advance from San Pedro Macati to the east or rear of Parangue; also engagement opposite Las Pinas, June 10, 1899; battle of the Zapote River, June 12, 1899; repelling attack of insurgents, extending from Imus down the river, enveloping Bacoor, October 2 and 3, 1899; repelling second vigorous attack of insurgents on same lines, which finally resulted in our forces driving off insurgents, pursuing them to and through Binacayan.

"On duty in the office of the Secretary of War, as Chief of Division of Customs and Insular Affairs from February 12, 1900, to July 1, 1902; colonel, Chief of Bureau of Insular Affairs, Washington, D. C., to June 30, 1906; and brigadier general, Chief of Bureau of Insular Affairs, to August 24, 1908.

"Commanding the post of Fort D. A. Russell, Wyo., from October 3, 1912, to February 26, 1913; commanding a brigade on the Mexican border to January 1914; en route to Hawaii and commanding brigade to December 14, 1914; en route to the United States to December 14, 1914, and to the Canal Zone to January 6, 1915; commanding the troops in the Canal Zone to April 16, 1917; in and en route to and from the United States January 31 to March 15, 1916; en route to the United States to April 23, 1917.

"He was commanding the Northeastern Department, with headquarters at Boston, Mass., May 1 to August 1917; commanding the Twenty-sixth Division at Boston, Mass., from August 22 to October 11, 1917. Rejoined the division in France November 11, 1917, and was commanding that division in France to October 24, 1918, except from November 25 to November 30, 1917.

"He participated in the following major operations: Champagne-Marne, Aisne-Marne, St. Mihiel, and Meuse-Argonne offensives.

"En route to the United States from November 5 to 14, 1918; on leave of absence to December 1, 1918; commanding the Northeastern Department, Boston, Mass., to August 31, 1920; commanding the Second Brigade, Camp Taylor, Ky., to September 8, 1920; commanding the Second Infantry Brigade, Camp Dix, N. J., to July 1, 1921; commanding the First Corps Area, Boston, Mass., to the date of his retirement.

"He was awarded three silver star citations for gallantry in action against insurgent forces at (1) Santa Cruz, Luzon, Philippine Islands, April 10, 1899; (2) San Rafael, Luzon, Philippine Islands, May 1, 1899; (3) near Guadalupe Ridge, Luzon, Philippine Islands, June 10, 1899.

"General Edwards received the following foreign awards: French Croix de Guerre with Palm; French Legion of Honor, Commander; Belgian Order of Leopold, Commander; Polish Order of Haller's Swords, Chevalier.

"General Edwards died February 14, 1931, at Boston, Mass.

"By authority of the Secretary of War:

"E. T. CONLEY,
"Major General,
"The Adjutant General."

Col. O. L. Spaulding, Chief of the Historical Section of the Army War College at Washington, at my request, has given me the following information concerning the Twenty-sixth Division as to the number of days spent at the front and in foreign service:

APRIL 2, 1936.

HON. WILLIAM P. CONNERY, JR.,
House of Representatives, Washington, D. C.

MY DEAR MR. CONNERY: In response to your telephonic request for information I furnish the following statistics as regards the four significant divisions concerned: Total time in foreign service,

1 year 7 months 2 days; total time at front, 193 days, 148 in quiet sector, 45 days in major operations and active sectors.

The above statistics were compiled from The War With Germany, by Col. L. P. Ayers; the Order of Battle of United States Land Forces in World War, A. E. F., compiled by the Historical Section, Army War College, and Division History Charts, compiled by the G-3 Section of the General Staff, G. H. Q., A. E. F.

I trust that this information will be of service to you.

Very truly yours,

OLIVER L. SPAULDING,
Colonel, Field Artillery,
Chief, Historical Section, Army War College.

It may be interesting to some of my listeners to know just what the words "quiet sector" in the foregoing report meant as pertains to the Twenty-sixth Division:

The laconic bulletins sent out daily to the War Department by the Commander-in-Chief, General Pershing, concerning the division, are also interesting as throwing light on life in a "quiet sector." Following are examples from the communiques of June:

"June 1, 1918, Twenty-sixth Division. May 31 to June 1, noon to noon. General impression quiet. Total of hostile shells, 1,060. Enemy apparently using a 15-centimeter heavy field howitzer.

"June 16, 1918. Twenty-sixth Division, June 13 to June 14, noon to noon; there was little activity of any description. The hostile batteries used about 1,000 shells of which 250 contained gas. The enemy planes were fairly active, a total of 21 being seen. Of these, 13 were within our territory. Our patrols were very active and on several occasions drew rifle and grenade fire from the hostile trenches.

"June 23, 1918, Twenty-sixth Division. June 20 to 21, noon to noon; hostile artillery still active, but less so than during last few days. Intermittent shelling of the entire sector throughout afternoon and evening with heaviest fire concentrated on right and center. On the left, Xivray bombarded with high explosives and gas. Total number of shells used, 1,800.

"June 24, 1918: Twenty-sixth Division, June 21 to 22, noon to noon; the day quiet except for a rather heavy harassing fire executed by the hostile batteries. A total of 1,450 rounds, mostly small caliber, including a little gas, were used by the enemy. The fire was distributed over most of the sector.

"June 26, 1918: Twenty-sixth Division, daily average 1,800 rounds. Maximum for 1 day 6,000 rounds, fired on June 19. Minimum for 1 day 300 rounds, fired on June 21."

The official records of the War Department disclose the fact that 1,730 men were killed in action and 10,568 men were wounded while serving in the Yankee Division during the World War.

"Arriving in the autumn of 1917 the division went through the prescribed course of instruction until early in 1918, when, brigaded with the French, it entered the line for a month and a half's further training north of Soissons, in the Chemin des Dames sector. It was withdrawn for rest when the German offensive of March 21 necessitated its immediate return to the line in the La Reine and Boucq sectors, north of Toul. Here it had two important engagements—one in the Apremont Forest, where it repulsed with loss a heavy German raid, and at Seicheprey, where casualties on both sides amounted to approximately 2,000 men.

"On July 18 the division was thrown into the battle between the Aisne and the Marne, advancing in 7 days more than 17 kilometers against determined enemy opposition and capturing the towns of Epieds, Trugny, Torcey, Belleau, and Givry.

"It next took part in the American offensive of September at St. Mihiel. Operating under the Fifth Corps in the Rupt and Troyon sectors, north of St. Mihiel, it captured Bois-des-Eparages, Hattonchatel, and Vigneulles.

"Later, during the Meuse-Argonne offensive, it attacked north-east of Verdun and aided in the storming of Etrayes Ridge, capturing Bois-de-Belleu and the Bois d'Ormont, one of the most formidable heights in that region. The division was in this sector when the armistice called a halt to active operations."

General Pershing in the foregoing letter neglected to mention Flirey and Xivray in the Toul sector, while in that sector it was an interesting fact that the enemy attacked each individual infantry regiment of the division at separate places and were repulsed in each engagement. They attacked the One Hundred and First at Flirey, the One Hundred and Second at Seicheprey, the One Hundred and Third at Xivray, and the One Hundred and Fourth at Apremont. In all of these engagements the One Hundred and First, One Hundred and Second, and One Hundred and Third Artillery played magnificent parts in smashing the enemy attacks.

On all of the fronts where the division was engaged the separate units of Engineers, supply trains, machine-gun battalions, Signal Corps, and liaison detachments served their beloved division with zeal, untrifling energy, and heroism.

At Humes, on Christmas Day 1918, President Wilson visited the division and reviewed detachments of it.

The general impression made by the troops on this occasion may best be summarized by the telegram of the Commander in Chief to General Hale:

G. H. Q., December 26, 1918.

C. G., TWENTY-SIXTH DIVISION:

I desire to congratulate the division on the excellent work of the battalion which represented it as the guard of honor at Chaumont, on the fine appearance and discipline manifested by the men during the visit of the President of the United States to the billets of the division, and on the splendid appearance made by

the detachments representing the division in the review for the President at Humes, France, December 25, 1918.

PERSHING.

We had only been in the trenches in the Chemin des Dames sector a short time when General de Mard'huy, in whose French Army Corps we were serving at that time, issued a general order.

The letter of compliment from the French corps commander, the first to be received by the division, conveyed under its official phrases a very real and personal affectionate regard. Too much emphasis cannot be placed on the mutual cordiality and esteem which from the very beginning marked the relations of the division's officers and men with their French associates. The letter follows:

ELEVENTH ARMY CORPS,
STAFF HEADQUARTERS,
March 15, 1918.

GENERAL ORDERS, No. 7

We regret that our comrades of the Twenty-sixth Division should leave us in order to fulfill their tasks elsewhere.

We have been able to appreciate their bravery, their sense of duty and discipline, also their frank comradeship; they carry away our unanimous regrets.

General Edwards has been pleased to consider the Eleventh Corps as godfather to the Twenty-sixth Division. The Eleventh Corps feels proud of the awarded honor, being sure that, wherever he may be sent, the godson shall do credit to the godfather.

GENERAL DE MAUD'HUY,
Commanding Eleventh Army Corps.

In September 1918 came the St. Mihiel drive, in which the salient was reduced and the line straightened out. This was the action in which the division captured Bois de Eperges, Hattonchatel, and Vigneulles.

In connection with the part the Twenty-sixth Division took in the capture of Hattonchatel the following tribute was paid by the French corps commander:

"From: General Claude, commanding the Seventeenth Army Corps.

"To: The commanding general, Twenty-sixth Division.

"General, the reputation of your division preceded it here far ahead.

"To all its titles of glory gained in fierce struggles, and only recently at the signal victory of Hattonchatel, it has added on the 23d of October a page which perhaps is more modest, but still does it great honor.

"In a few hours, as at a maneuver, it has gained all the objectives assigned it in the difficult sector of the Woods of Houppy, Etrayes, and Belleau.

"This operation is evidence, indeed, of superior instruction, mobility, and will.

"I do not know how to thank you sufficiently for your assistance, dear General, and it is my great desire to express to you all our grateful admiration for your splendid division which thus has added its name to all of those who have fought to hurl the enemy back from the outskirts of Verdun."

"It is not my intention to recount in detail the thousands of incidents of heroism of officers and men of the division. History will store up some of these glorious deeds for future generations to read. The men who were there on the field of battle know the story of unsung heroes whose names never will be mentioned. Many YD men here within the sound of my voice should be wearing upon their breasts Congressional Medals of Honor or Distinguished Service Crosses, yet their reward must be only the serene, complete content of knowing that they had served their country even far beyond the path of line of duty in battle, that they had performed heroic acts of which the world knows nothing, but in which they and their buddies who were there with them will glory while they live. They can look at the beautiful flag of the United States flying in the breeze with its gorgeous red and its pure white stripes, its deep field of blue, and its bright stars, too, and let their souls cry out, "You're my flag, you're particularly, specially my flag! I fought for you, I proved that I would die for you. I proved it to myself and to my country, and how I love you and what you represent—freedom, liberty, home, and loved ones."

That must be their reward and that reward is sufficient unto them because they are soldiers, soldiers in peace as well as in war.

Our dead rest peacefully in France, and in the hallowed resting places on our own dear soil.

We the living gather here today from the farthest corners of New England; yes, and from far-distant States of the Union. We come not only to honor our dead chief, but to proclaim to the Nation and to the world that we will fight in time of peace as we did in war to safeguard forever the patriotic principles so clearly defined by Thomas Jefferson in the Declaration of Independence, and the founders of the Republic in the greatest document ever written for the government of a people, the Constitution of the United States.

This dedication today is our answer to communism. As long as one of us lives we will resist any attempt on the part of anyone to overturn by force the Government of the United States, which has been perpetuated and sanctified by the blood of heroes of all our wars.

We pray for peace but we have no sympathy, and can have little respect for, the man or woman who lives under the protection of our American institutions and who will take all the

benefits of that protection and then refuse to take up arms to defend our country in time of need.

The Yankee Division is an American division. The men of the Yankee Division are Americans, and we recognize but one flag, the Stars and Stripes.

General Edwards, "Daddy" Edwards, the "Old Man", the "Idol of the Yankee Division", soldier, brother, father, comrade, all in one, stern in discipline, lover of wit and humor, proud of his outfit, proud of his officers, but most of all, prouder of—defender and champion of—the enlisted man.

He was relieved of his command because he insisted on casting diplomacy aside and, in biting, sarcastic words, told the "higher ups" that he would be no part of a scheme which would aggrandize self-seeking, would-be military leaders, to be brought about by the degradation of officers and men who had followed him unhesitatingly into the hell of battle and men who had already handed on to posterity another golden page of glorious deeds to be placed in New England's book of chivalrous sons, a book teeming with pages of self-sacrifice, honor, patriotism, and fighting fortitude continuing on and on, beginning with the foundation of the United States of America.

The excuse given to relieve him of his command was that Secretary of War Baker, when he was visiting the A. E. F. in France, had suggested that a certain number of divisional commanders who had led combat divisions in battle should be sent back to the United States to train new divisions. Perhaps this would have been done later with other commanders in addition to General Edwards, but as the armistice came shortly after he was relieved one shall never know the answer to that.

The general took his relief as a soldier. Let us see:

The final leave taking of General Edwards on October 26, 1918, was described by Dr. Morton Prince, of Boston, in a letter to Governor McCall of Massachusetts. He said, in part:

"I arrived at divisional P. C. (the advanced post of command during battle) just as the commanding general was transferring his command to his successor, an able officer of experience, who surely will lead the Yankee Division to further victories. Headquarters was a picturesque group of dugouts arranged in two rows, facing one another along an alley camouflaged overhead with boughs of leaves from enemy airplanes.

"In the commanding general's dugout were high officers and members of his staff, while in the alley were grouped other staff officers and headquarters troops. It was but natural and pardonable that depression and gloom were depicted on the faces of all, and that they should speak in subdued voices.

"Though anxious to give the same loyalty to their new commander, they could, for the moment, think only of the past. They were losing their chief to whom they owed everything, and whom they had followed during 9 months of constant fighting.

"The departing general was the only cheery one of the lot. Whatever he may have felt when leaving the soldiers he loved and who loved him, he did not betray, nor did he give the least sign of his private sorrows, for sudden news had just brought grief into his heart in the death of two that were very near to him—his own daughter, and an aide who was like an own son. This we all know. But private grief was not allowed to weigh with duty. He was a soldier through and through.

"A few routine details had to be finished, papers had to be signed. Then came the presentation of his staff to the new commander, with a generous word of commendation for each; a word of good-bye and a grasp of the hand with one another; the same with a kind word to each enlisted man at headquarters; then he sprang into the motor car. At his invitation: I was privileged to accompany him, and with a wave of his hand and a last cheery good-bye we were off, leaving sad faces behind us.

"The next day after a night at the main working headquarters a final good-bye was said by the remainder of the staff, and as we turned back from where the departing motor left us we heard the explosion of a great 14-inch shell that dropped its fragments close to the car as it sped away, as if the German in a last vain effort sought to destroy, in impotent rage, the man who had beaten them on many a field, and there came to us from a distance the cheers of the soldiers wishing their general God-speed.

"There is not a soldier or officer in the division that does not take the general's departure as a personal loss."

Thus does Dr. Prince in fitting language describe the feelings of all YD men toward their commander.

General Edwards was a West Pointer. He had all of the virtues inculcated into the youth of our land who graduate from Uncle Sam's Military Academy. Yet he escaped what many West Pointers did not escape—that false sense of caste and antagonism toward the National Guard and National Army which at times exhibited itself so strongly in our Army during the war.

He rather followed the rule of the generals of France who were firm disciplinarians yet could see no sense in the signs invariably displayed in all American camps, barracks, and posted in cafes and restaurants, "For officers only."

He combined fine gentlemanly instinct with a rare sense of the fitness of things. His humor was contagious. His courage unquestioned. He was a man's man. He loved his men. His men idolized him.

I have searched the records of the War Department and nowhere in the record of his private life and military service can one blot be found upon his escutcheon.

We Yankee Division men who live in this beautiful section of Massachusetts are proud, and justly so, of the action of our Governor and our legislature in naming this bridge the General Clarence R. Edwards Bridge. It will be an ever-present reminder to

us, to our children, and our children's children, of the great deeds of a great man, the leader of a great fighting Yankee Division, the man who put a soul into that division, the man who alive captured the imagination of 40,000 soldiers, the man who dead holds their undying, eternal loyalty and love. General Edwards, today, in the name of all of your living stout-hearted fighting Yankee Division men, in the name of all of our comrades who have gone to the Great Beyond, we salute you.

TWO LETTERS ON MATTERS OF PUBLIC CONCERN

Mr. EAGLE. Mr. Speaker, I ask unanimous consent to extend my own remarks by including copies of two letters I have written on matters of public concern.

The SPEAKER. Is there objection?

There was no objection.

GUFFEY COAL BILL

Mr. EAGLE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter written by me with regard to the Guffey coal bill:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 26, 1936.

Mr. D. D. PEDEN,

President, Peden Iron & Steel Co., Houston, Tex.

DEAR DEE: Your wire of 25th to hand and noted.

I have not yet read the new Guffey bill. I note that you ask me to vote against it.

I voted for the other one, and if this one keeps the greedy fingers of the coal operators off the necks of 450,000 coal miners who are shamefully used, oppressed, mistreated, as the other Guffey bill did, I shall vote for it. It is far better, far more American, far more human for those coal-mine workers (450,000 of them—meaning 3,000,000 men, women, and children) to have proper working hours, working conditions, and pay than for extra, extra dividends to be collected at their expense by the inhuman and greedy coal corporations of Pennsylvania and other coal States. Besides the humanities involved, purchasing power which makes for universal prosperity is gained by treating workers right.

I shall, as usual, give this bill careful study when or if it comes up, and vote for it or against it on these principles. I will never confiscate or overtax or punish capital, but I will not by my vote allow the chiselers in industry (like these greedy coal companies) to starve, wreck, and oppress men, women, and children merely to send bigger and bigger extra dividends up to Wall Street.

There are both capital and labor: each indispensably necessary to industry and prosperity. Each such bill must be considered and enacted in the light of doing right by both capital and labor. Of course, all of this big industry in the Pennsylvania and New York section tries to use its relations with all of its business connections throughout the country to ask all Congressmen to vote as these vast and selfish corporations desire in order that they may enslave their workers again as before the present regime, and I hope you yourself will give study to the very matter you lay before me. With me the welfare and justice to men and women who toil comes before extra big dividends to the chiseling portion of big business and industry up here in the East which considers men as natural serfs.

As requested, this new Guffey bill will have the best study, thought, and decision of which I am capable, when it comes up, but I shall be guided by the above sentiments, facts, and views.

With personal regards.

Sincerely yours,

JOE H. EAGLE.

S. 3822: RESALES PRICE—H. R. 8442: CHAIN STORES

Mr. EAGLE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter written by me:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 29, 1936.

Dr. W. J. DANFORTH,

Plaza Hotel, San Antonio, Tex.

DEAR DR. DANFORTH: I received today your interesting and welcome letter of January 25, and have read and considered it with care.

(1) I am familiar with the bill originally introduced for Senator TYDINGS as S. 3518 on January 6 of this year, and later introduced by Senator TYDINGS as S. 3822 on January 16. I favor that bill and will support it. In substance it merely is a measure to promote national fair trade. Dumping and price cutting are of no permanent value to any class but a constant menace and injury to all classes. The measure will not prevent fair competition because that will be maintained by the manufacturers. When a retail merchant cuts prices it is merely a dumping process. It breaks the uniform standard of prices. What he loses in such transactions he makes up by adding to the sales price of another article. For this reason the buying public never achieves advantage through cut-price purchases. Therefore, I regard that the bill, S. 3822, is fair to manufacturer, jobber, retailer, and the public.

(2) I am heartily backing the Patman bill, H. R. 8442, to amend section 2 of the Clayton Antitrust Act. I am familiar with the

details of that bill, and I think it will accomplish what it is designed for, that is, to protect the independent merchant and the public as buyers as well as the manufacturer from exploitation by chain-store competitors. The small independent merchant has a perfect right to demand the same opportunity to make a living as the largest chain enjoys. Yet by the methods employed in purchasing by the chains, the small man is denied equality of opportunity. The wealth of chains enables them to buy on their own terms and practically at their own prices, and also enables them to sell at far below cost at any place where necessary to bankrupt their independent competitor. The independent man must be by law guaranteed the right to the same prices and terms and discounts any manufacturer accords to any chain if the small man is to live in business at all. After a chain destroys the independent merchant it will have no competition and can exploit the public by prices at its pleasure. It is therefore in the interest of the public, as well as to safeguard the legitimate rights of the independent small businessman, that the chain groups be not allowed by virtue of their strength and what they can do by their tremendous buying power to put the independent out of business.

This bill (H. R. 8442) makes it unlawful for any person engaged in commerce to discriminate in price or in terms of sale between the chain-store groups and the individual merchant as to like grade and quality; and also prohibits rebates to the chain under pretense of paying commissions and brokerage to their dummies; and the same as to pretended advertising allowances. And it is sound in providing for a presumptive measure of damages for its violation, because such damages to an independent by these unfair chain methods while known to that merchant to ruin him gradually is still difficult to prove, hence the bill properly provides for a presumptive measure of damages in certain cases.

As far back as 1914, when I was then a Member of Congress, I supported and voted for the Clayton Antitrust Act. I approved our work then and approve it now in that act so far as it went; but it has not gone, and I think is not capable of going, far enough to protect against the calamity of this new giant chain-store plan which is ruining small businessmen, and hence I will find deep satisfaction in helping to enact H. R. 8442 to strengthen rather than weaken the Clayton Antitrust Act.

With highest considerations, I am

Sincerely yours,

JOE H. EAGLE.

AMERICA, THE HAVEN OF LIBERTY-SEEKING IMMIGRANTS

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to extend my own remarks by including my own speech delivered on the floor of this House.

The SPEAKER. Is there objection?

There was no objection.

Mr. SIROVICH. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the speech which I delivered on the floor of the House a number of years ago.

Mr. Speaker, ladies and gentlemen of the House, comets were regarded in ancient times as presages of evil, forecasting the death of kings and the destruction of nations. Edmund Halley, an English astronomer, the friend of the great Newton, observing the comet of 1682, checked back on previous appearances of comets and decided that this comet had a definite orbit about the sun covering 75 years, and predicted the return of this comet in 1737. His forecast was derided, but when 1737 came in the course of time Halley's comet appeared again, and has since that time made its route according to the schedule of Halley. Its latest appearance was in 1910. Superstition faded before knowledge and understanding.

Depressions and panics seem to have cyclic orbits, and with them also seem to come cycles of bigotry and persecution, as if both were parts of some cosmic disturbance. Like the lag of the tides after the meridian passage of the moon, these cycles of bigotry are not always immediate with the economic cycles, but, nevertheless, they seem concomitant with them. I could cite you many instances which seem to bear out this thought, but will not take the time now to do it, except to call attention to the fact that great wars seem to be followed by deep economic depressions, and during these depressions nationals of one nation try to put the blame for the situation on nationals of another nation, and often on minority groups within their own nation.

This latter case is the situation in Germany between the Austrian dictator, Hitler, and native Germans of Jewish religion. Germany had failed in the World War. She had lost her colonies; her Navy lay at the bottom of Scapa Flow; her foreign markets had been taken away; a loaf of bread sold for a billion paper marks; and the financial condition

of the people in general was appalling, so those who had assumed power looked about for a scapegoat. The Jewish element of the German people provided such a scapegoat by the dictatorship and those behind it. Jews had led in steel making, shipping, foreign trade, and domestic commerce out of all proportion to their numbers compared to other Germans; nor were the Jews behind in music, the arts and sciences, and philosophy. This state of affairs first led to jealousy, then to bigotry, and finally to persecution, with all of which the world is familiar.

There could be no escape to asylum elsewhere in the world, though longing eyes were cast on America, since Jewish money and goods had been commandeered by the Nazis, and families once well to do or in comfortable circumstances were herded into ghettos and denied expatriation.

In other generations persecution because of political or religious differences has given some of its best immigrant stock to the United States of America. The Pilgrims and Puritans, Huguenots, Lutherans, and Irish, German, and English Catholics were striking examples. It is also true that love of liberty, freedom of conscience and speech, and a desire to better their economic condition brought many fine men and women to America whose descendants are a credit and an honor to our Nation.

For almost 150 years America has been the haven, the mecca, to which the proscribed, the persecuted peoples of occidental civilization have longed to migrate. Every cycle of bigotry, economic depression, and racial intolerance in continental Europe drove millions to our shores. America, the land of liberty and opportunity; America, the land where they cradled religious respect for all faiths; America, the land of freedom and equality! That America was their destination.

From the west coast of Ireland to the eastern shores of the Black Sea these emigrants sought America. From the White Sea in the north to the Straits of Messina in the Mediterranean they set sail for America. In the last 15 decades America was the one word in the minds and on the tongues of millions of all the nationals within these regions. America, the land of hope and faith; the land where a man could be a man, free and independent, no matter what tongue he spoke or what his racial stock might be; a land where wages were high, worktime short; a land open for settlers, jobs for all workmen; the land of promise and plenty.

So the adventuresome took ship, in the steerage, at as low as \$15 a head, providing their own food and bedding. They came in millions and spread all over the land of plenty, from Maine to Oregon, and from the Great Lakes to the Gulf of Mexico. They built the railroads. They manned the river steamboats. They built the wharves and docks. They did anything to which they could turn their willing hands. Coal and iron mines, rolling mills, textile mills, blast furnaces, coke ovens, tunnels, subways, bridges, roads, commercial and domestic buildings, all these and much more they dug down, laid down, or built up.

All who came to the land of plenty were not brawn; also came brains, fine brains, the seat of great minds. The list is too long to name them here, but Carl Schurz, Joseph Pulitzer, Jacob Schiff, Prof. Abraham Jacoby, Steinmetz, Einstein are not the lowest on the list. A roster of those whose thought, rather than their hands, helped mold this Nation to one of the greatest in the world would fill multiple pages of the CONGRESSIONAL RECORD. To this roster would be added many names besides those recorded of the Jewish race, as well as names of Irish, Scotch, Welsh, English, German, French, Italian, Austrian, Hungarian, Polish, Scandinavian, Russian, and Balkan derivation.

There is much discussion these days of the alien immigrants to the United States of America and their effect on the ethical, political, economic, industrial, and employment present-day status of the Nation. Some of this discussion has been vitriolic in its denunciation of the immigrant. In order to get a true viewpoint it may be well to have a look backward at the situation as it existed in the Original Colonies and in the United States of America in the nineteenth century.

America was not settled by a homogeneous race, Nordic or otherwise—the original settlers came from many lands—nor were the English settlers in the various Colonies all of one blood and religious or political thought. Florida was settled by Spaniards, as was California and other parts of the west coast. Louisiana and the lower tributary valleys of the Mississippi were settled by the French, who also penetrated the Great Lakes region, the upper Mississippi region, and the adjacent territory.

Swedes settled in Delaware and along the Delaware River. German colonists occupied the fertile valleys of eastern Pennsylvania, where later they were joined by Scotch-Irish, Irish, English, and Welsh. Scandinavians, including Swedes, Norwegians, and Danes, took possession of fertile homesteads in Delaware, Wisconsin, Minnesota, and the then Territories west. Poles came to Pennsylvania, as did Letts and Lithuanians. New York, originally called New Amsterdam, was settled by Hollanders, Flemings, and Walloons. Massachusetts Bay and Plymouth Colony were settled by English from the southwest of England.

Maryland was settled by English Catholics, Virginia by English Anglicans. Great rivalry existed between these two Colonies, and Maryland still calls itself the free state because of its early attitude toward liberty of conscience and thought. Georgia was founded by James Edward Oglethorpe. It became a refuge for persecuted Protestant sects, then opposed to the Anglican Church, and unfortunate debtors, but worthy classes of England. The early Georgian colonists were English, German Lutherans, Piedmontese, Scottish Highlanders, Swiss, Portuguese, and Jews.

Portuguese and Spanish Jews were among the first settlers of the now exclusive Newport, R. I., and one of the oldest cemeteries in the United States of America is the Jewish Touro Cemetery in Newport. In my district in New York is an ancient Jewish cemetery, just off Sixth Avenue, and another near the Bowery and Chatham Square, containing a few graves of early Manhattan Islanders who were Jews and settled in New York City in 1654.

Persecution is not new in what is now the United States. Witch trials were common in Salem. The ostracism of Roger Williams from Massachusetts founded Rhode Island. Virginia cavaliers harassed the Catholics of Maryland. Anglicans scouted Lutherans. Mormons were driven from Palmyra to Fayette, to Kirtland, to Jackson County, Mo., to Nauvoo, and finally established Utah under Brigham Young.

Persecution need not be physical or depend upon personal harm. It may be by ostracism, terrible to sensitive souls. It may be by boycott. It can take many forms, developed over centuries of practice by baiters of a people whose ideals are not understood by their antagonists. Persecution is not always a conflict of races. It may and has existed between elements of homogeneous races, usually duty to differences in religion and politics.

History repeats itself by generations, by centuries, and by millenia. Thomas Torquemada, the sadistic inquisitor in the Spain of King Ferdinand and Queen Isabella, having driven out the Moors from Spain, turned his attentions to the Jews, and, after royal consent to their expulsion, expatriated 800,000 Jewish families, who fled to Holland, Russia, the Balkans, Italy, the Dutch East Indies, Tunis, Tripoli, Morocco, and other countries that granted them shelter. These countries of refuge profited greatly by the arrival of the new Jewish immigrants, but Spain lost her commanding position among the nations of that time and has been on the downgrade ever since. The great Empire of Spain has disintegrated.

Today in Germany the same conditions obtain that did in Spain under Torquemada. Hitler is the modern Torquemada. Today the same conditions obtaining in Germany under Hitler will produce the same results that occurred in Spain under Torquemada. I repeat this to emphasize it. The next world war will destroy Germany; southern Catholic Germany will secede as a nation from northern Protestant Germany.

Civilization was said to have been thrust into Spain on the point of a Moorish lance. The famous Giralda Tower of Seville was built by the Moors and used by them as an

astronomical observatory. When the Spaniards drove the Moors out they did not know what use to put the beautiful tower to, so they let it stand idle. Much of the so-called kultur of Germany is, like the culture of Spain, not indigenous to German soil but has been borrowed from other sources, with the possible exceptions of Goethe's and Schiller's works.

Prior to 1700 Germany did not figure in the culture of Europe to the extent that she later achieved. The new Europe of the Renaissance was born in Italy, nurtured in France, developed in England, and thence spread to the rest of Europe, Germany being the last to accept the new culture. Leonardo da Vinci, Michelangelo, Raphael, Titian, Dante, Descartes, Rabelais and Montaigne, Columbus, De Gama, Copernicus, Galileo, and Magellan were not German. The mothers of Rabelais and Montaigne were Jewesses.

René Descartes preceded Immanuel Kant as a philosopher, and his work was of great aid to Pascal and Newton, and Descartes was not a German. Immanuel Kant was of Scotch descent. Latins, not Germans, led the way in the new civilization. Dante, Cervantes, Rabelais, Shakespeare, and the lesser authors are well known outside of their native lands, but the best of German poets, Goethe, is not read much outside of Germany. Shakespeare competes with Goethe on the German stage, but Goethe does not compete with Shakespeare on the English-speaking stage. Schiller's dramas deal more with non-German subjects than with those concerning his own nationals. Schopenhauer, Kant, and Nietzsche drew their inspiration from non-German sources. German culture was influenced by foreign sources more than the culture of any other race in Europe.

Baruch Benedict Spinoza, the distinguished Portuguese-Holland Jew, has been the brilliant, gifted, dominating, intellectual figure of German philosophic culture for the past 200 years. Such talented writers as Goethe, Lessing, Schiller, and Herder were inspired by Spinoza's contributions and their works were profoundly influenced by his conceptions and ideals. Nietzsche was of Polish descent. Whenever and wherever we find Nietzsche dilating upon the superior qualities of his superman we find him always drawing his inspiration from the great foreign, oriental prophet of the Persians, Zoroaster. The great pessimist Arthur Schopenhauer was of Dutch descent and propagandized the Buddhist-Hinduistic philosophy into Germany. His object was to replace the Biblical influence of the New and Old Testaments. Neander is universally considered the most distinguished and representative German church historian. He, too, was a baptized Jew. Heinrich Heine, the supreme lyric poet of his day, was a Jew. Karl Marx, the avatar of Soviet Russia and the author of the world-famous *Das Kapital*, was of Jewish extraction. Wassermann, the great serologist; Ehrlich, the world's most famous biochemist; Henle, one of the greatest anatomists of his time; Albert Neisser, the greatest bacteriologist of his day, discoverer of the gonococcus and the leprosy bacillus, were all Jews.

In the realm of physics what names are comparable to the four outstanding Jewish-German physicists, such as Hertz, of the Hertzian or X-ray fame, Helmholtz, Einstein, and Plank. Max Reinhardt, the greatest theatrical impresario, is a representative German member of the Jewish faith. The most important modern German poets, such as Zweig, Werfel, Hoffmannstahl, and Wassermann, are members of the Semetic race. Emil Ludwig and Leon Feuchtwanger are two of the world's most famous modern German-Jewish novelists. The three greatest German publicists of the last century, Maximilian Harder, Alfred Kier, and Ludwig Boerne, were non-Aryans, disciples of Judaism. The founder of Germany's modern merchant marine and the North German Lloyd Steamship Co. was the Jew, Alfred Ballin. The Junker Party, the great political reactionary party of Germany, was founded by a baptized Jew, Fritz Stahl. Mendelssohn is considered one of the most foremost musical composers of the world; he, too, was of Jewish extraction. The greatest tenor that Germany produced in the last 5 decades was Yallowker, a Russian Jew. One of the most brilliant statesmen of modern Germany was the distinguished Rothenau, Minister

of Foreign Affairs, who was assassinated by the Nazis. His father was the founder of the general electric industry of Germany.

A brief cursory of the facts that I have presented proves conclusively that neither German culture, so-called, nor modern German civilization are of purely German creation. German kultur is the cumulative contribution of the creative effort of a conglomeration of different races, religions, and peoples from all over the world, who lived in Germany and were inspired by the creative geniuses of the world to ennoble mankind by the product of their mentality.

A pure-blooded German kultur and civilization is a myth, an aspersion, and an insult upon the intelligence of any liberal-minded citizen of the world.

The list of great ones in German history, in art, music, science, biology, medicine, and surgery is saturated with non-German names and with countless Jewish names too numerous to mention. Because of religious bigotry, intolerance, and racial persecution by Germany's modern Torquemada, Hitler, Germany will disintegrate. Its empire will suffer the fate of medieval Spain. The Prussian-German Empire will be succeeded by a German confederation based on southern Catholic Germany, as Bavaria, Saxony, and Württemberg, united with Austria, of which Vienna may yet be the titular capital. Northern Prussian Germany, or Protestant Germany, has always been militaristically inclined. Prussian Germany has given to Germany its great warriors. It has oppressed its neighbors in war and peace. It has given to a unified Germany the autocracy of the Hohenzollern dynasty, against which Woodrow Wilson and Congress declared war. No great names in science, art, and literature have come from its bowels. On the other hand, southern Germany and the Rhineland have contributed to Germany on the altar of its culture and civilization its most eminent scholars, savants, scientists, musicians, painters, and philosophers.

After the next world war a ring of Catholic nations will surround Prussian-Hitler Germany. Catholic nations, such as Belgium, France, Czechoslovakia, southern Catholic Germany, Austria, Hungary, Poland, Rumania, and Yugoslavia, will destroy Prussian junkerism, Hitlerism, and militarism and make the world safe for free men to exist.

Mr. Speaker, ladies and gentlemen of the House of Representatives, on May 17, 1929, a distinguished, gallant, and lovable personage, a Representative of the great Commonwealth of Virginia, the Honorable Henry St. George Tucker, delivered an address in this House on the subject of reapportionment. It was a masterpiece of verbal elegance and forensic legal lore. In his peroration this brilliant scholar stated that—

Children from the sons of the covenant were never intended by our forbears to participate in the Government of the United States.

It was my privilege to respond to that address. When I concluded my remarks that great personality arose and clarified his expressions, so that no one could misconstrue or misinterpret them. It was a sublime effort, worthy of the great statesman that he was. Since that memorable occasion the Honorable Henry St. George Tucker has made his eternal pilgrimage to that "bourne from whence no traveler ever returns." To commemorate that heroic and immortal event in my congressional experience I now desire to call to your attention that address and Mr. Tucker's response thereto. Henry St. George Tucker's answer is a ringing challenge to anti-Semitism, racial bigotry, and religious intolerance wherever it may be found.

The address and response are as follows:

Mr. Speaker, ladies and gentlemen of the House, the Commonwealth of Virginia has contributed some of the most distinguished names to the history of our Nation. Out of 56 men who signed the Declaration of Independence, 7 of them came from the great Commonwealth of Virginia.

In the early history of our Government the Old Dominion gave four of its most eminent sons as President of the United States—George Washington, Thomas Jefferson, James Madison, and James Monroe. A quartet of famous names that have never been equaled or been surpassed by any State in the Union. [Applause.]

Next to the founder of our country, George Washington, stands the name of Thomas Jefferson, the founder of the great Democratic Party of our Nation.

The life and character of Thomas Jefferson symbolizes, to my mind, all the ideals and virtues that prompted our forefathers to establish this great democratic-republican Government of ours. [Applause.]

When the sage of Monticello passed beyond the Great Divide he left a will in which he requested that when a tombstone was erected to commemorate his memory only three sentiments should be expressed thereon. First, that he was the author of the Declaration of Independence; second, that he was the founder of the University of Virginia; and third, that he was the author of religious liberty and freedom of worship in the Commonwealth of Virginia.

What an extraordinary trinity of ideals to which Thomas Jefferson consecrated his life: First, education; second, the right of worshiping in conformity with a man's own conscience; and third, as author of that immortal document, that great charter of human rights, worthy of God himself, the Declaration of Independence. [Applause.]

Mr. Speaker, ladies and gentlemen, picture to yourselves the modesty of that extraordinary intellectual giant, Thomas Jefferson, the greatest man of his day. He never put upon his tombstone that he was twice President of the United States. He never had inscribed upon his eternal shaft that he was Vice President of the United States. Never did he declare to those who might read his epitaph that he was first Secretary of State in the administration of George Washington. Nor did he state that he was Ambassador of the United States to France and helped to bring to a successful conclusion the great Revolution which brought liberty and freedom to our forbears through the assistance of France in aiding the American cause in its hour of need. [Applause.]

Seven famous names are penned to the great Declaration of Independence from the State of Virginia—George Wythe, Richard Lee, Thomas Jefferson, Benjamin Harrison, Thomas Nelson, Jr., Francis Lightfoot Lee, and Carter Braxton. Where is there a schoolboy today throughout the length and breadth of our country who has not heard of the militant Maccabean sentiments of Patrick Henry in his clarion call to the people of our Nation when he said, "Give me liberty or give me death"? Such is the contribution of the Commonwealth of Virginia to the early history of our country. [Applause.]

A century has passed since the death of Thomas Jefferson. The great Commonwealth of Virginia has 12 distinguished men who represent that great State in the House and Senate. Let me have them pass before you in panoramic fashion as their names come to my mind. Andrew Jackson Montague, former Governor of Virginia, and named after the militant and aggressive leader of democracy, Andrew Jackson; R. Walton Moore, a descendant of Lewis Morris, the New York signer of the Declaration of Independence, and also a descendant of the Walton family, of New York, a family of merchants in the old days, one of whom was mayor of New York, and all of whom are buried in the churchyard at Trinity Church; Schuyler Bland, Patrick Henry Drewry, Clifton Alexander Woodrum, Senators Carter Glass and Claude Swanson, and last but not least Virginia's illustrious son, Henry St. George Tucker. [Applause.]

Where is there a State in our Union that can match these names for brilliancy in their accomplishments, and for extraordinary manifestations in service to our people? [Applause.]

For 14 decades the distinguished family of Tucker has been represented in the Congress of the United States. The original Thomas Tudor Tucker served as a Member of Congress during the administration of Gen. George Washington. George Tucker, a kinsman of St. George Tucker, our friend's great-grandfather, was a Member of this historic forum. In 1825 Thomas Jefferson appointed him as professor of moral and intellectual philosophy in the University of Virginia. Henry St. George Tucker served from 1815 to 1819 in the Congress of the United States.

Thus we behold the picture of great-grandfather, grandfather, father, and son serving the best traditions of our people and our Nation.

The present Henry St. George Tucker, in my humble opinion, is one of the greatest constitutional lawyers in the Congress of the United States. [Applause.]

As former acting president of Washington and Lee University, as former president of the American Bar Association, as a Member of this House on and off since 1889, and as professor of law, he is one of the outstanding and distinguished representatives of the great Commonwealth of Virginia. [Applause.] He comes from the town of Lexington, Va., Lexington that was the home of Robert E. Lee, the illustrious general and distinguished soldier of the Southern Confederacy, Lexington, Va., where that distinguished soldier, Stonewall Jackson, taught mathematics.

In the center of that community is the city of Staunton, which is the birthplace that cradled and nurtured the greatest exponent of the philosophy of democracy, one of the greatest Presidents of all times, Woodrow Wilson. [Applause.]

Since the inception of our Government, four successive generations of Tuckers have represented the State of Virginia in the House. Henry St. George Tucker, the present incumbent, carries in his vest pocket a watch, an heirloom from colonial days, whose ticks and beats were heard by John Randolph, of Roanoke, its original owner. Edmund Randolph, of this distinguished family, was the first Attorney General in the administration of George Washington.

Surely, with all these antecedents that I have enumerated, anything that Mr. Tucker would say on the floor of this House

carries great weight. Our distinguished colleague delivered a speech in this historic forum on the "power of Congress to exclude aliens in the enumeration of the population of the United States for Representatives in Congress." It was a brilliant effort. A masterpiece of forensic lore. A debatable constitutional question. His main contention being that when the Constitution was adopted in 1787 aliens were not present. Therefore he infers they should not be counted now.

As a matter of fact, immediately after the Revolution, proportionate to its population, we had as many aliens then as we have now. In our midst were the Tories, hillbillies, the Hessians, English troops, and other soldiers of fortune, who fought against our forbears in their desire to establish a republican form of government. But when the Constitution was adopted, a general amnesty was declared and everybody was permitted to participate as citizens of our Republic. That was why we had so few aliens.

However, when the fourteenth amendment to the Constitution was passed, after the abolition of slavery in 1868, section 2 declared—

"Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed."

Surely, in 1868 we had millions of aliens then as now, and it was the intention of our forefathers to count all of its people. They left nothing to be inferred and only excluded Indians not taxed. Therefore, it is my contention that an alien is a person under the fourteenth amendment to the Federal Constitution, and should be included upon the basis of fixing representation, excluding only "Indians not taxed." As a matter of justice, all the people living in our country are aliens or the descendants of aliens. The only true Americans are the Indians, whom we have deprived of their land and even disfranchised by not permitting them to vote. [Applause.]

While we are on the subject of the aliens I would like to state that there are 45,000,000 people in the United States today who are the sons and descendants of former alien immigrants, who, since their entrance into this country, have contributed to our happiness, glory, and prosperity in times of peace and have fought upon every battlefield in defense of our country in times of war. For almost 100 years these aliens, through their sweat and blood, have helped to build our great American railroads, have perfected our great American industries of steel and iron, have worked in the mills, in the looms, and in the factories. They have gone down into the bowels of the earth to bring forth the hidden mineral resources of our Nation, have dug the subways, have built the great skyscrapers and dwellings, which have made our Nation and our people the most wonderful, the most respected, and the richest of all the world. [Applause.]

Directly in front of the home of the President of the United States there are monuments on each corner erected to perpetuate the name and fame of five aliens who gave up everything they held near and dear to help our Colonial forefathers establish this mighty Republic of ours.

Pulaski, a Polish count, who organized the Foreign Legion, marching these soldiers through Maryland, Virginia, North and South Carolina, fighting all the way for our cause, until he fell wounded in the Battle of Savannah and was buried at sea. Gen. Baron von Steuben, the great German strategist, who trained and disciplined the American soldiers at Valley Forge and made it possible for Washington to win his subsequent victories. Rochambeau, the great French soldier, who, in conjunction with Lafayette and Washington, was responsible in lowering the colors of Cornwallis at Yorktown, that brought victory to the arms of America. Kosciuszko, the great Polish engineer, who designed and built West Point and was wounded at the battlefield of Saratoga, that caused to bring about the defeat of Burgoyne. And last, but not least, the distinguished and gifted General Lafayette, who brought the aid of the French people to the cause of the American Revolution, that made success possible. Everywhere, throughout the length and breadth of our land, there are humble shafts that commemorate the lives of these alien immigrants who worked for our happiness in times of peace and were ready to die for our Republic in times of war. [Applause.]

Mr. Speaker, ladies, and gentlemen, my purpose in addressing the House today is to take exception to the peroration of my distinguished colleague, Mr. Tucker. In his concluding remarks he said "aliens from the commonwealth of Israel and strangers from the covenants of promise were never intended to be given participation in the Government of the United States." If this figure of speech, this Biblical sentiment of Mr. Tucker were literally interpreted, exclusive of its text, it would cast aspersions upon one of the most patriotic and loyal groups of citizens in our country.

Since no religious test is required by our Constitution to hold public office to serve our people, why pick out one group of people and say "aliens from the commonwealth of Israel and strangers from the covenants of promise were never intended to be given participation in the Government of the United States?"

Let me tell my colleague, Mr. Tucker, who these strangers from the covenant of the land of promise are.

For 25 centuries these covenanted people from the land of promise have been persecuted and been proscribed. They have been pillaged. They have been plundered. They have been burned at the stake. They have been driven from the land that God covenanted as their own. As wanderers in the world, they have gone through pogroms, massacres, and inquisitions, and while all these monarchs, emperors, and others who have persecuted them have been forgotten in the ashes of time, these aliens from the

commonwealth of Israel lived on, and will continue to live wherever the influence of civilization and humanity exists, because Judaism stands for three ideals that it has preached from the time of Abraham. First, the belief in one ever-living God. Second, the belief in the inspiration of the Holy Bible containing within it the Ten Commandments given by God to Moses on Mount Sinai. Third, the belief in the immortality of the soul. For these reasons the Jewish race will and must continue to live. [Applause.]

When the Assyrian king destroyed the commonwealth of Israel, many of these people settled in Phoenicia. Prior to the Christian era the Phoenicians were the Yankees of the East. Living near the forests of Lebanon, they hewed down the trees and converted them into ships. They settled in Greece, the lower part of Italy, and particularly Venice, which is called Venetia, derived from Phoenicia, and Carthage.

As their ships plowed through the Mediterranean and through the Straits of Gibraltar, they went to England. There they went down into the mines and brought back tin, which they used to alloy copper, and were among the first bronze makers of the world. It was these Phoenicians, the most civilized and cultured people of their day, who called England British. The term "British" comes from two Hebraic words, "brith", which means covenant and "ish", which means son. Therefore, "British" means the covenanted son.

In 1492 two of these sons of the covenant, Spanish Morranos, Louis St. Angel and Gabriel Sanchez gave 20,000,000 maravedis, which amounts to about \$200,000, to Queen Isabella to finance the expedition of Christopher Columbus. On the three ships, the *Pinta*, the *Nifia*, and the *Santa Maria*, that set sail with Columbus for a northwest passage to India were 108 men; 18 of them were Jews—sons of the covenant. Dr. Maestral and Dr. Marco were physician and surgeon, respectively, on the ships. Rodrigo Sanchez was superintendent of the vessels. The first man to sight land was Rodrigo de Triana. The first man to set foot on American soil was Louis de Torres, who Christopher Columbus took along with him to act as interpreter with the Grand Kahn of India. All these men were of Jewish extraction. Jehuda Cresques, a Jew, was the man who perfected the compass for the first time that made it possible for Columbus to sail away from the harbor and guide his destiny. Abraham Cecuato presented Christopher Columbus with the astronomical charts that made it possible for him to follow the North Star and wend his way westward. So you see, fellow Members of the House, it was aliens from the commonwealth of Israel who not only financed the expedition of Columbus but were present with him in those strenuous and frightful months that he must have gone through ere he discovered this wonderful country of ours that our forefathers and divine Providence decreed should be the haven and home for all the oppressed of the world. [Applause.]

When Washington was at Valley Forge, and the cause of the American colonists looked helpless and hopeless, General Washington sent his emissary to one of the sons of the commonwealth of Israel in the person of Chalan Solomon, who was an immigrant from the city of Lodz, Poland. Mr. Solomon was one of the richest men of his time. He took out \$675,000, all the money he had in the world, and sent it to General Washington to help our colonial forbears. For this act of generosity a servant betrayed him to the British. He was imprisoned, court-martialed, and sentenced to be hanged. Chalan Solomon died in prison, but his money helped to save the cause of the American Revolution. This money was never returned to his wife and children, who were left penniless.

In the city of Charleston, S. C., in 1777, Col. Emanuel M. Noah gathered together 100 sons of the covenant, who fought under the leadership of Captain Lushington, with General Moultrie as their presiding officer, all throughout the American Revolution. Since that time the children of Israel—first, last, and all the time true American citizens and patriots—have contributed to every line of human endeavor to make our Nation the greatest, the most glorious in the world. In science, in art, in literature, in philosophy, in journalism, in medicine, in law, in jurisprudence, in banking, and in statesmanship the Jew has contributed his all upon the altar of our Nation. In every war, from the American Revolution, the War of 1812, the Mexican War, the Civil War, the Spanish-American War, the allied war, Jewish blood has saturated and hallowed the soil of our country and of Cuba, the Philippines, and France that our institutions might be preserved. [Applause.]

I appeal to you, Mr. Henry St. George Tucker, an illustrious citizen of the State of Virginia, distinguished Member of the greatest representative body in the world, the Congress of the United States, to name any group of citizens within the confines of our country who are more loyal, patriotic, sincere, and devoted to the institutions of our Nation than are the children of the covenant, the Jewish people. [Applause.]

During the Civil War your sainted father was a soldier of the Confederacy. During the darkest hour of this fratricidal war Judah P. Benjamin, a son of Israel, was attorney general, secretary of state, and secretary of war of the southern Confederacy. He dined in your home and took from his back his own coat to give to your honored father. You have served in the Congress of the United States with many men who were members of the Jewish faith, such as Isidore Strauss, who was your devoted friend and broke bread in your home.

In view of the respect and regard that everyone has for you, Mr. Tucker, I contend it is your privilege, nay, I should say it is your duty, in justice to your name and fame, to define what you

meant when you said that—"aliens from the commonwealth of Israel and strangers from the covenants of promise were never intended to be given participation in the Government of the United States."

[Applause.]

I yield now, for a reply, to my friend from Virginia [Mr. Tucker]. [Applause.]

Mr. TUCKER. Mr. Speaker, I have been greatly distressed to learn from my eminent and distinguished friend from New York [Mr. Sirovich] that the remark made by me in what was a legal argument has been construed by some a reflection on the great Jewish race. It gives me pain. I know that there is no man who knows me who will say that I ever could have been guilty of such a thing.

Mr. Speaker, I would be false to the tenderest memories of my life, I would be false to some of the most ennobling companionships of my life if I could ever, by word or act, say or do anything to reflect upon the great Hebrew race. [Applause.]

All through my argument I spoke of aliens as "unnaturalized foreigners"—applying to all races. This was a mere figure of speech and in no sense was it intended to diminish the accomplishments of the Hebrew in the march of human progress in science and law, in philosophy and theology, and in the highest development of family life known in American life.

I thank my distinguished friend, Dr. WILLIAM IRVING SIROVICH, for giving me this opportunity to explain the expression used by me in the close of my speech referred to by him. I deeply regret that anyone has seen in that phrase any evidence of any intention to disparage or criticize the Jewish race. Nothing could be further from my thought. No act or word of mine would ever be so construed by you who know me. To do so I would have to forget some of the sweetest friendships and most ennobling associations of my life with Hebrews. The words used were from the Apostle Paul—it was his language, not mine.

Mr. Speaker, I desire to reiterate, in closing, my profound respect for the citizenship of our Nation of every race and creed, and especially for those of the Jewish race. [Applause.]

Mr. SIROVICH. In behalf of the Jewish race I want to thank you for the manly way in which you have corrected the sentiment that you have expressed and for the great regard and respect that you have for the citizenship of the Jewish race.

In this country we pledge allegiance to one flag and to one nation. As an American, I extend to you, Henry St. George Tucker, the hand of brotherly love, and sincerely hope that you will live far beyond the Biblical threescore and ten in happiness and in contentment with your people.

Within the great Liberty Bell in Philadelphia there is a sentiment taken from the Third Book of the Holy Testament which says: "Thou shalt proclaim liberty and freedom to all the inhabitants of this land." When that bell rang it spread liberty and freedom to all the people of our country. Your manly and courageous sentiments today will bring happiness and contentment to the descendants "from the commonwealth of Israel and strangers from the covenants of promise." [Applause.]

Mr. Speaker, all religions are the result of the accident of birth, place, time, and circumstance, modified by the racial tendencies of the peoples among whom the worship arose. The solitary Jehovah of the Jews, the Trinity of the Christians, the polytheism of the gods of ancient Greece, and of surviving Buddhism and Brahmanism; Mohammed, the prophet of Moslemism; Confucius, the analector and interpreter of ethics; the Code of Hammurabi; the Great Spirit of the North American Indian; the many gods of the Mayans, Toltecs, and Incas; Mithraism, Molochism, idolism, fetishism, totemism, and all the varieties of figure worship had their beginning and continued being in the search of many peoples for knowledge of a supreme being, of an all-powerful one, omnipotent in all things, as revealed to them by one or more prophets of their own race or adjacent races. That such conditions continue to exist through milleniums indicates that the true God cares little about the form of worship, over which mankind has fought so long and bitterly. Bigotry and intolerance are solely human characteristics and have no place in the truly divine scheme of things. The true God is so tolerant that it behooves humanity to imitate this quality of godliness. Let every true American, therefore, be ever ready to offer up everything he holds near and dear in life to bring about the brotherhood of man and the fatherhood of God.

AGRICULTURAL IMPROVEMENT IN MISSOURI

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. NELSON. Mr. Speaker, cash receipts from the sale of principal farm products in Missouri increased from \$158,702,000 in 1932 to \$238,363,000 in 1935, including \$23,397,000

in rental and benefit payments. This is an increase of 50 percent.

Price changes on certain selected commodities, which brought about a considerable share of the increased cash receipts to which I have just referred, are shown in the following table:

TABLE 1.—Average prices received by Missouri farmers for commodities listed on dates specified

Commodity	Aug. 15, 1932	Mar. 15, 1933	Dec. 15, 1935
	Cents	Cents	Cents
Wheat.....per bushel..	39	39	91
Corn.....do.....	31	20	61
Oats.....do.....	15	17	34
Barley.....do.....	26	28	57
Rye.....do.....	37	39	62
Buckwheat.....do.....		40	57
Flaxseed.....do.....	68	80	125
Potatoes.....do.....	45	55	80
Sweetpotatoes.....do.....	80	55	90
Cotton.....per pound..	6.5	5.3	11.2
Hogs.....per hundredweight..	410	325	880
Beef cattle.....do.....	530	400	740
Veal calves.....do.....	470	495	880
Lambs.....do.....	440	440	920
Milk cows.....per head..	2,900	2,500	4,200
Chickens.....per pound..	10	7.2	14.8
Eggs.....per dozen.....	11.8	7.4	25.5
Butter.....per pound..	20	17	30
Wool.....per pound, unwashed..	9	9	25
Apples.....per bushel..	65	115	80

For the United States as a whole the yearly average price of all groups of farm products increased from 65 percent to 108 percent of the pre-war level during the period 1932-35, an increase of 66 percent. The low point occurred in March, 1933, when prices were only 55 percent of the pre-war level, whereas in December, 1935, they averaged 110 percent of that level. These figures do not include rental and benefit payments. The gain in exchange value of farm products per unit was somewhat less than the gain in farm prices, since prices farmers pay for commodities used in living and production also advanced about 17 percent during the period. The exchange value per unit of farm products increased from 61 percent of the pre-war level in 1932 to 86 percent in 1935, a gain of about 41 percent.

FARM REAL-ESTATE APPRECIATION

A new appreciation of farm real estate in Missouri has been one result of increased farm income. The number of forced farm sales per thousand declined from 59.8 for the year ending in March, 1933, to 35.8 for the year ending in March, 1935. Voluntary sales and trades of farms for the year ending in March, 1932, stood at a low of 18.2 per thousand compared with 22.6 per thousand for the year ending in March, 1935. For the first time since 1920 the decline in value of farm real estate per acre halted in the year ending March, 1933, when it hit a low of 55, the State average value from 1912 to 1914 being 100. From this low of 55 in 1933 the estimate value per acre rose to 58 for the year ending March, 1935.

IMPROVED CONDITIONS FOR HIRED FARM LABOR

Estimates by the Bureau of Agricultural Economics indicate that on January 1, 1933, the demand for farm labor in Missouri was 53 percent below the standard accepted as normal and the supply 24 percent above. At the same time the average farm wage rate per person with board was \$16.25. Three years later, in January, 1936, the farm-labor demand was only 27 percent below normal, and supply was 4 percent below. The average farm wage rate per person with board was \$18, having advanced 11 percent above its 1933 level.

SOIL-CONSERVATION PRACTICES UNDER THE A. A. A.

The programs of agricultural adjustment, from their launching in the spring of 1933, were concerned with good use of the land of cooperating farmers, as well as with adjustment of crop acreage in line with effective demand. Farm leaders and administration officials recognized from the start that relieving a proportion of farm land from the soil-exhausting burden of major crop production created an

unprecedented opportunity for putting this land to the soil-conserving uses which farm specialists for many years have been advocating.

Adjustment contracts include provisions encouraging beneficial uses for acreage taken out of surplus crops. The first corn-hog contract, offered farmers in 1934, authorized use of the rented acreage only "for planting additional permanent pasture; for soil-improving and erosion-preventing crops not to be harvested; for resting or fallowing the land; for weed eradication; or for planting farm wood lots." The cotton contract for 1934-35 specified use of the rented acres only for "soil-improving crops; erosion-preventing crops; food crops for consumption by the producer on his farm; feed crops for the production of livestock or livestock products for consumption or use by the producer on his farm; or fallowing; or such other uses as may be permitted by the Secretary of Agriculture or his authorized agent." Food and feed crops for home use were authorized on rented acres in the South, because it was recognized that the standard of farm living in that region, which contains half of the farm population of the country, might thereby be improved. The tobacco and wheat contracts carried similar provisions.

In the 1934 crop year, the first in which the adjustment programs were in full swing, farmers agreed to shift their production on nearly 36,000,000 acres. These acres represented one out of every nine of cultivated land in the country. Of the shifted acres it has been estimated that about one-third was put in pasture or meadow crops, one-third in acres of emergency forage crops and in crops that supplied food and feed for home use, and the remaining one-third was fallow to conserve moisture and control weeds, planted to farm wood lots, or left idle. Farmers in Missouri shifted nearly 1,344,000 acres from the production of corn, cotton, wheat, and tobacco in 1934.

A marked trend toward increased pasturage of all kinds is apparent in Missouri. According to the Bureau of the Census, the acreage devoted to pasturage increased by about 3,241,000 acres from 1929 to 1934.

DAIRY CATTLE DISEASE ERADICATION

Milk has been an important source of farm income in Missouri. For the past few years more than \$25,000,000 has been returned to milk producers annually. They are therefore interested in steps taken by the Government to safeguard the health of their herds.

Approximately \$50,000,000 of Agricultural Adjustment Administration funds have been made available for cattle disease eradication in the United States, primarily bovine tuberculosis, Bang's disease, and mastitis. This work is being done in cooperation with the Bureau of Animal Industry. As of December 31, 1935, some 1,447,700 head of cattle had been given the tuberculin test and about 308,690 the agglutination test for Bang's disease. Of the \$350,000 allocated the State for the eradication of bovine tuberculosis, \$342,570.55 had been expended in indemnities and operating expenses at the close of 1935. Of the \$966,000 allotment to the State for the eradication of Bang's disease, \$867,500 had been spent in indemnities and operating expenses through December 1935.

EXTENT OF FARMER PARTICIPATION IN ADJUSTMENT PROGRAMS

From the inauguration of the adjustment programs in 1933 through January 6, 1936, 279,773 contracts signed by Missouri farmers were accepted by the Agricultural Adjustment Administration. Of this number of contracts 201,372 were corn-hog, 46,439 were wheat, 29,855 were cotton, 2,106 were tobacco, and 1 was rice.

Missouri farmers have evidenced their cooperation in A. A. A. programs by their votes in five referendums on these and related measures. During the first 2 weeks of October 1934, corn-hog producers were asked whether they favored an adjustment program for 1935. In this referendum Missouri producers numbering 34,319 voted for a program, while 19,342 voted against.

In the Bankhead referendum conducted on December 14, 1934, to decide upon the applicability of the Bankhead Act to the 1935-36 cotton crop, 12,466 votes were cast in the State, of which 10,552 favored application of the act. A Nationwide wheat referendum was conducted on May 25, 1935, in

which producers were asked, "Are you in favor of a wheat-production program to follow the present one, which expires with the 1935 crop year?" In Missouri, 18,913 votes were cast, of which 15,647, or 83 percent, favored such a program. During the summer of 1935, producers of different types of tobacco were asked whether they favored a production-adjustment program to follow the one which expired with the crop year 1935. Burley producers in Missouri favored a program for 1936 by a vote of 647 to 126. The last referendum in this State was conducted on October 26, 1935, in which corn-hog producers were asked whether they favored a corn-hog program for 1936. Official returns indicated that 69,391 favored such a program, while 9,386 opposed.

RENTAL AND BENEFIT PAYMENTS IN MISSOURI

As of December 31, 1935, rental and benefit payments in Missouri aggregated \$42,522,601.29. Of this amount cooperating corn-hog farmers received \$32,834,304.31; cotton raisers, \$5,277,584.36; wheat growers, \$4,128,541.49; tobacco producers, \$280,238.07; and rice farmers, \$1,933.06.

Until January 6, 1936, funds to provide these rental-benefit payments were raised through processing taxes. As of December 31, 1935, processing-tax collections made in Missouri totaled \$38,574,390.76. Processing taxes were collected through the medium of first processors, or converters of the raw agricultural products—millers, packers, cotton, and tobacco manufacturers—wherever these processing establishments were located. They were paid by consumers throughout the country wherever the processed articles were sold.

FARMERS' MONEY GOES TO TOWN

The increased income of cotton, corn-hog, tobacco, and wheat farmers did not remain out in the country where those products were raised. The farmers' money found its way to town and to the industrial centers of the country, where it put people to work.

The extent to which increased farm income during the past 3 years enabled farmers to increase their purchases of city-made goods and services is reflected in several ways.

New automobile registrations in Missouri were approximately as follows:

1932	46,663
1933	54,308
1934	68,505
1935	91,115

The increase from 1932 to 1935 was 95 percent.

According to Automobile Facts and Figures, a publication of the Automobile Manufacturers' Association, the 1934 retail automobile sales gain in Missouri was greatest in small towns and on farms. From 1933 to 1934 new-passenger-car registrations on farms and in towns under 10,000 in population, increased 31 percent, whereas in cities over 10,000 the increase was 18 percent.

New-automobile purchases, among other things, have meant an increased gasoline consumption. In Missouri consumption rose from 458,672,000 gallons in 1932 to 489,401,000 gallons in 1934, and to 509,061,000 gallons in 1935. From 1932 to 1935 the increase amounted to 11 percent.

Fertilizer tax tag sales indicate that 32,422 equivalent tons of fertilizer were purchased in Missouri in 1933. During 1934 sales increased to 52,259 equivalent tons, and during 1935 to 59,398. The increase from 1933 to 1935 was 83 percent.

Improved banking conditions are further indications of increased business activity. Monthly statements issued by the Federal Reserve System indicate that debits to individual accounts increased greatly from 1932 to 1935. For 1932, debits in the St. Louis district amounted to \$7,831,981,000, and for 1934 they advanced to \$8,491,398,000. Preliminary figures indicate that for 1935 they increased to \$9,666,517,000, or 23 percent over the 1932 figure.

Individual deposits, including savings, time, and commercial deposits, in banks in Missouri, aggregated \$921,587,000, an advance of \$171,244,000, or 22 percent for the year closing June 29, 1935, in comparison with the year ending June 31, 1933, according to reports received by the American Bankers' Association.

The number of all commercial failures showed a rapid decline from 1932 through 1935. From 713 such failures in Missouri in 1932 the figure dropped to 198 in 1934 and to 163 in 1935. Hence, commercial failures in the latter year amounted to 23 percent of those in 1932.

PERMISSION TO ADDRESS THE HOUSE

Mr. NELSON. Mr. Speaker, I ask unanimous consent that on Monday next, following the disposition of business on the Speaker's desk and the reading of the Journal and other special orders, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, under the peculiar circumstances that have been submitted to me by the gentleman from Missouri I shall not object, but already we have an hour and a half of time devoted to speeches on Monday. That is Consent Calendar day and a great many Members are anxious to have that calendar considered. The gentleman from Missouri has advised me that it is barely possible he may not have to leave the city and for that reason I shall not object to his request, but I shall be compelled to object to any other requests so far as Monday is concerned.

Mr. RICH. Mr. Speaker, reserving the right to object, I may say that if we get a lot of speeches on Monday we will save the country a lot of money.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. NELSON]?

There was no objection.

POSTMASTER GENERAL FARLEY AT GRAND RAPIDS, MICH.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a speech made by the Postmaster General at Grand Rapids, Mich., to the Michigan State postmasters' convention.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROWN. Mr. Speaker, I ask unanimous consent to have printed in the RECORD the following address by the Postmaster General at the State convention of Michigan postmasters, Grand Rapids, Mich., Wednesday, May 20, 1936, at 4 p. m.:

It is indeed a pleasure to participate with the postmasters of Michigan at a meeting of this nature. I want to take this opportunity to congratulate you on your splendid organization, which is most helpful, not only to the postmasters but to the Postal Service generally throughout the State.

Many of the postmasters assembled here today received their appointments through President Roosevelt, and it gives me particular pleasure to bring to you the personal greetings and best wishes of our great leader, whom history will record as one of the most humane and understanding of all our Presidents.

It is my feeling that you should, and I am quite sure that you do, cherish the opportunity to serve under such capable leadership. The President has a keen personal interest in the affairs of the Post Office Department and he fully appreciates the great service that is being rendered by this, the largest and most far reaching in its influence, of all of the Government departments.

Postmasters must be great believers in organization. Postal employees' organizations and gatherings are of themselves most beneficial and worth while to both the employees and the Postal Service, and it is through postmasters' conventions of this kind that new ideas and plans are exchanged, all of which have as their sole object the rendering of a more efficient service to the patrons of the Post Office Department.

The employees in all branches of the Service have contributed in no small degree to the many improvements that have been made in the Postal Service. Their alertness and sense of responsibility have been an important factor in the according of the prompt and efficient service which the Post Office Department is rendering to the American public every minute of the day and night.

It costs approximately \$700,000,000 a year to operate the Postal Service, and approximately \$4,000 is paid into post offices each minute of every business day by those who use its facilities. Last year the Department handled over 22,000,000,000 pieces of mail.

Owing to their intimate relationship to the interests of all of the people, postal receipts are most indicative of changing business conditions and trends. For that reason the volume of matter coming into the mails, as shown by postal receipts, has long been regarded as a most reliable barometer of business conditions.

Business throughout the country is steadily improving and your own State of Michigan is among those States that are setting the pace. One has only to glance at the daily newspapers to be apprised of the marked improvement in conditions throughout the Nation, and this upward swing is best attested to by the increasing volume of postal receipts.

As representatives of the Postal Service in this great State, I feel sure that you will be most pleased to know that postal receipts in Michigan for the first 4 months of the present calendar year were \$7,355,000, as compared with but \$6,741,000 for the same period a year ago. This represents a gain of more than 9 percent, which is the best indication of the steady improvement in business and industry that has and is now taking place in every section of this State.

For the month of April just passed, postal receipts for Michigan amounted to \$1,930,000, as against \$1,769,000 for April 1935, also a gain of more than 9 percent.

Here in Grand Rapids the postal receipts for the first 4 months of this year were \$405,416, in comparison with receipts of \$376,874 for the first 4 months of 1935, or an increase of more than 7 percent.

The preliminary report of postal receipts for the month of April, covering the entire country, shows a gain of more than 8 percent over the same month a year ago, and for the first 10 months of the current fiscal year a gain of approximately 7 percent over the same period in 1935 is reflected. I have every reason to believe that the final report for the year will reveal an even greater increase.

These increases in postal receipts in Michigan and throughout the country have not been confined to the metropolitan and industrial areas. It was only a few days ago that I had the pleasure of advancing 532 fourth-class post offices to the Presidential grade as a result of increased postal receipts which placed them within that category. Of these 532 post offices throughout the country which were thus advanced, 17 were here in the State of Michigan.

I feel that you will concur with me in my belief that the 40-hour-week law for postal employees, which it was my pleasure to endorse prior to its passage during the first session of the Seventy-fourth Congress, has largely solved what was a very acute problem regarding substitute employees. Before its enactment we had a large number of substitutes who had for years waited in vain for regular appointments. These substitutes have now, in most instances, obtained regular jobs and regular positions have been provided for many others who were unemployed. Nothing since I became Postmaster General has given me more happiness and satisfaction than the relief which has come to these faithful employees. In this connection, I want to commend the postmasters for the careful supervision that they have exercised in the application of the 40-hour-week law, which has in no way interrupted or impaired the Postal Service.

In addition to rendering improved service to the patrons of the Postal Service, the Department has, within the past 3 years, conducted a vigorous and widespread campaign to protect the people of the country from numerous fraudulent enterprises conducted through the mails. Investigations into these fraudulent schemes of varying natures were made by the Postal Inspection Service and wherever the facts warranted, fraud orders denying the use of the mails to the perpetrators were promptly issued. It is a certainty that the issuance of these orders has saved the American public millions of dollars annually. Reports of post-office inspectors in only 47 of the mail-fraud investigations brought to a close during the past fiscal year by the arrest, indictment, or conviction of the swindlers involved, revealed a loss to the victims of the schemes of \$49,000,000. There has also been conducted a vigorous and successful drive on the senders of obscene matter.

There has been a steady improvement and development of the Air Mail Service since the first air-mail route was established between Washington and New York in 1918, but it is within the past 2 years that the greatest strides have been made in the Air Mail Service.

The present domestic air-mail system, which was set up in the spring of 1934, is the finest in the history of the service, embracing as it does 29,000-route and 40,000,000-scheduled miles. Under the old system which was in operation prior to 1934, there were but 25,248-route and 35,000,000-scheduled miles. At the present time, 215 cities throughout the Nation have direct air-mail service as compared with 167 cities under the former system. Before 1934 the States of Maine, New Hampshire, Vermont, and West Virginia had no air-mail service whatever, whereas today these States are traversed by routes, which form an integral part of the new air-mail system, which serves directly 46 States and indirectly the remaining two.

The cost to the Post Office Department of this new and greatly improved air-mail system for the fiscal year which ended on June 30, 1935, was \$8,880,000, and it is estimated that the cost for the present fiscal year, including \$1,300,000 allowed by the Interstate Commerce Commission for increased compensation to the air-mail contractors, will be approximately \$12,000,000. In 1933, the fiscal year prior to the establishment of the present system, the cost of the air-mail service was \$19,400,000 for a much more limited service than is available today.

All records for the volume of mail transported by air, passengers carried, passenger-miles flown, and pounds of air express carried were broken last year, and present indications are that these records will again be bettered this year. Planes flying over the Post Office Department's domestic and foreign air-mail system last year

carried more than thirteen and one-half million pounds of air mail, a gain of 76 percent over 1934, and more than 863,000 passengers, a gain of 53 percent. The passenger revenues of the air-mail companies for the calendar year 1935 amounted to more than \$15,800,000 as compared with passenger revenues for 1934 of about \$8,600,000, or an increase of 83 percent.

The most recent and certainly one of the most significant developments in the history of mail transportation was the inauguration of the trans-Pacific air-mail service last November, when the first scheduled flight on the Post Office Department's 8,700-mile air-mail route between San Francisco and the Orient took off from the Alameda, Calif., airport.

The establishment of this great transoceanic service across the broad expanse of the Pacific Ocean by way of Honolulu, Midway, Wake, Guam, and the Philippine Islands has reduced the time consumed in transporting mail from the United States to the Far East from 18 days to but 5½ days.

Plans for the inauguration of a similar transoceanic air-mail service across the Atlantic are now being formulated and there is every reason to believe that the first experimental flights between the United States and Europe will be conducted this summer.

The Post Office Department, in addition to its strictly postal operations, has been called upon several times within the past 3 years to assist other Government departments and agencies. The recent enactment of the veterans' bonus-payment legislation provides for the handling of the payment of the bonus bonds through the Post Office Department and, in accordance with this provision of the law, post offices at the principal points throughout the country are now being designated for this purpose.

Grand Rapids is one of the 12 post offices in Michigan that have been selected as direct bonus-payment offices. The 11 other Michigan post offices selected are Bay City, Battle Creek, Dearborn, Detroit, Flint, Jackson, Kalamazoo, Lansing, Muskegon, Pontiac, and Saginaw.

Plans for a prompt and expeditious handling of these bonds are now being completed. Payment on the bonus bonds becomes effective by law on June 15, 1936, on and after which date they will be received at the 45,000 post offices of the first, second, third, and fourth classes throughout the Nation. After a thorough study of the situation, I am convinced that it will be possible, through the cooperation of the Post Office and Treasury Departments and the veterans themselves, to make payment on the great majority of these bonds within 1 week after June 15, the first date of payment.

Payment of the bonus bonds will be made only after the proper identification and certification by the veterans. The payments will be made by Government check, and in the larger cities this will be done directly through the local post office. In the smaller communities the bonds will be forwarded immediately to a designated central post office within the State for payment by mail.

It is my intention that the handling of these bonus bonds be accomplished without inconvenience to the veterans and with a minimum of delay. Complete instructions as to the method of handling the bonus bonds will be forwarded to postmasters within the near future. On June 13 I plan to deliver, over a Nation-wide radio hook-up, a special message to the veterans, in which I will convey to them full and complete information concerning payment of the bonds and what they will be required to do in identifying themselves.

Among the several nonpostal operations which the Department performs for other Government departments and agencies are the handling of internal-revenue stamps for the Treasury Department and migratory-bird-hunting stamps for the Department of Agriculture.

In March of last year United States savings bonds were placed on sale at post offices throughout the country for the Treasury Department. The Post Office Department, as you all know, handles all the transactions involved in the sale of these bonds with the exception of payment, which is made through the Treasury Department direct. For the first 9 months of this sale, bonds with a maturity value of \$200,000,000 were sold to the public through the various post offices of the country.

Time will not permit even a reference to all of the improvements that have been made in the Postal Service nor to the many functions of the Post Office Department, such as the Railway Mail Service, the Rural Delivery Service, the Parcel Post Service, the Star Route Service, and the like, all of which have played such a prominent role in the expansion and development of the United States Postal Service, and, indeed, the country itself.

The success that has been achieved in providing better postal service to the people of the country is due chiefly to the earnest efforts and loyalty of those who make up our great organization.

In my official capacity as Postmaster General I am required to do extensive traveling. Wherever I have gone I have availed myself of the opportunity to visit the post offices and have personally greeted thousands of our employees. In this way I have learned at first hand of the problems of the Department and our employees throughout the Nation. Of course, I am delighted with the progress that has been made in the Postal Service under the Roosevelt administration. The morale of the Department has never been finer in our whole history.

Needless to say, I fully appreciate the splendid cooperation of the postmasters and all our postal employees for the unwavering support which they have extended to me since I became Postmaster General. I shall never forget the loyalty and devotion which they exhibited under trying conditions a few years ago when business

conditions made it necessary for us to enforce certain restrictions regarding employment.

In conclusion, I wish to express my grateful thanks to you and to the postal employees everywhere for all they are doing to make the United States Postal Service the greatest in all the world.

THE SALES DEPARTMENT OF THE LIVESTOCK INDUSTRY

Mr. RYAN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. RYAN. Mr. Speaker, farmers and producers of livestock, from colonial times to the present, learned that it was of great importance to sell their stock at points where the greatest buying competition could be obtained. At an early date in our history, the public livestock market was created by the producers, themselves, and developed and maintained by their patronage and support. It has proven to be the most practical and efficient marketing system yet devised.

EARLY HISTORY OF THE MARKET

About the middle of the eighteenth century, a market which is still in operation was established at Brighton, Mass. As the frontier was extended westward after the Revolutionary War, stockmen and farmers established similar markets at convenient and strategic points. They would drive their stock on the hoof to these markets where buyers from many parts of the surrounding country gathered to bid for the animals. Just before the Civil War, for instance, many such markets developed around Chicago. In 1865 these were consolidated to form the Chicago Union Stockyards, which have been in operation continuously since that time.

As livestock production moved on westward and railroads were extended into the Middle West and Far West, other public markets were established, including the one at South St. Paul, Minn., which next year will celebrate its fiftieth year of operation.

NEED OF SALES DEPARTMENT

Producers early recognized the need for skilled salesmen to cope with the expert buyers representing packers and others. This need gave rise to the commission firm and selling agencies. These selling agencies provided expert salesmanship, offering to producers the services of men thoroughly trained and experienced and as capable of feeling the pulse of the trade as the buyers themselves. In short, the public market, with its facilities for buying and selling, its keen competition and its alert, aggressive salesmen to represent producers, became the sales department of the livestock industry and so continues to this day. No manufacturer would think of giving his whole attention merely to the production of goods but would organize a strong sales department to dispose of the product of his factories, and that, in effect, is what the livestock producers of the country have done in setting up and maintaining public markets for their stock.

No other form of marketing has been found which affords the producers the buying competition or the selling efficiency which the public market offers; nor does any other system provide the protection and safeguards to producers which Federal and State supervision gives, together with the voluntary rules and bonding practices of concerns doing business on the public markets.

THE STOCKYARDS' FUNCTION

The function of the stockyards company is to provide the chutes, pens, scales, feeding, watering, and other handling services necessary in loading and unloading stock. These various facilities are made available every day in the year by the stockyards company, while they never engage in buying or selling any livestock or having any part in the transactions between buyers and sellers. This is a phase of the public-market system which is frequently misunderstood and misrepresented.

The investment in the stockyards property necessary to provide these facilities is large. The company's two principal sources of revenue to meet these costs are from feed

and yardage charges, which charges must be approved by the Secretary of Agriculture.

Since the livestock industry is the backbone of Northwest agriculture, and that agriculture, in all its phases, is the basis of business prosperity in that region, its welfare is of paramount interest to all citizens. The patronage of the public market must be maintained, its personnel must have continued developments and its functions must become more widely known and used.

VOCATIONAL EDUCATION HAS MEANT MUCH TO THE STATE OF WEST VIRGINIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include correspondence upon the subject of the bill under discussion this afternoon.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, how much correspondence is there?

Mr. RANDOLPH. I believe I might say I will include a part of one or two letters.

Mr. RICH. It will be confined to a page or not more than a page?

Mr. RANDOLPH. Yes.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, the further and increased development of vocational education certainly has much to commend it to the membership of this House. The program has been most successful and has brought material benefit to not only youthful groups of students but to the older folk as well. This measure provides for a permanent system, and our Federal assistance will mean that the various States can continue their activities in agricultural education, home-economic training, and scientific instruction in trades and vocations.

I am particularly interested in the good which is being accomplished in West Virginia through the avenue of vocational education. I have had much correspondence which is interesting and indicative of the need and popularity of this type of training. I shall, however, invite your attention to short excerpts from two communications which I have received.

The first comes from my good friend and distinguished educational leader, the Honorable J. F. Marsh, president of Concord State Teachers College, West Virginia. Under date of May 1 he writes as follows:

Having served for many years as State director of vocational education, I am in a position to appreciate the great need and the value of that special type of training, especially in these times of so much vocational need on the part of young folks.

West Virginia is the largest bituminous-coal-producing State in the Nation, and located within my district at West Virginia University is the school of mines. Its director, Mr. Charles E. Lawall, wrote me on May 4 the following:

This bill would aid vocational education in the State of West Virginia and would particularly aid mining-extension work, as we are now conducting it throughout the State. We here in the school of mines are particularly interested in its passage.

I need not tell you about the work that the mining-extension department has been doing throughout the State of West Virginia for the past 24 years, because I am aware that you are familiar with it. We have already had over 25,000 men in our mining-extension classes since this work was started. The work this year will be conducted at three centers throughout the State so that it will be available to practically every mining man that wants to take this work. During the past year we have had enrolled in our evening mining classes 1,657 men throughout the State, so we feel that this work is reaching those men for whom it is primarily intended.

Money spent through the vocational education program will be returned in the form of citizenship dividends to our Republic. Our boys and girls and men and women will be better equipped for life's work.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LANHAM, indefinitely, on account of important business.

To Mr. BROOKS, for 5 days, on account of illness.

HOOR OF MEETING MONDAY

Mr. BANKHEAD. Mr. Speaker, in view of the fact that several special orders have been granted for next Monday, and our desire to get through the Consent Calendar as far as possible, I have conferred with the minority leader.

Mr. Speaker, I ask unanimous consent that the House meet at 11 o'clock on Monday next.

Mr. RICH. Mr. Speaker, reserving the right to object, I may say to the majority leader that it is well to convene early on Monday if an hour and a half is to be taken up with special orders, but just remember that every day you keep this House in session it is going to be detrimental to the welfare of this country; and I want to warn the majority leader he should get Congress out of here just as quickly as possible.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, can the majority leader inform us whether it is contemplated to bring up any suspensions on Monday following the Consent Calendar?

Mr. BANKHEAD. I may say to the gentleman from Michigan that is a matter entirely within the discretion of the Speaker, and I have not consulted with him; but I know of none at this time.

The SPEAKER. The gentleman from Alabama asks unanimous consent that the House meet at 11 o'clock on Monday. Is there objection?

There was no objection.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 38. Concurrent resolution authorizing the appointment of a joint committee of Congress to make the necessary arrangements for the inauguration of the President-elect on January 20, 1937; to the Committee on Rules.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3118. An act to provide for the creation of the Perry's Victory and International Peace Memorial National Monument, on Put in Bay, South Bass Island, in the State of Ohio, and for other purposes;

S. 4023. An act to provide for the continuation of trading in unlisted securities upon national securities exchanges, for the registration of over-the-counter brokers and dealers, for the filing of current information and periodic reports by issuers, and for other purposes; and

S. 4448. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the issuance of the charter to the city of Lynchburg, Va.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on May 25, 1936, present to the President, for his approval bills and a joint resolution of the House of the following titles:

H. R. 8069. An act for the relief of Mr. and Mrs. A. S. Mull;

H. R. 8599. An act to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a marine casualty investigation board and increase efficiency in administration of the steamboat-inspection laws, and for other purposes;

H. R. 8766. An act to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes;

H. R. 11747. An act extending the time for making the report of the commission to study the subject of Hernando De Soto's expedition; and

H. J. Res. 439. Joint resolution authorizing the erection in the Department of Labor Building of a memorial to the officers of the Immigration and Naturalization Service and Immigration Border Patrol who, while on active duty, lost their lives under heroic or tragic circumstances.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 27, 1936, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization, room 445, will hold public hearings at 10 a. m., Wednesday, May 27, on a group of private bills relating to fraudulent birth certificates and visas at time of entry.

EXECUTIVE COMMUNICATIONS, ETC.

852. Under clause 2 of rule XXIV, a letter from the Chairman of the Federal Trade Commission, transmitting the latest report of the Commission, entitled "The Textile Industries in the First Half of 1935, Part I, the Cotton Textile Industry", was taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of West Virginia: Committee on Mines and Mining. H. R. 12374. A bill to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933; without amendment (Rept. No. 2779). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. House Concurrent Resolution 50. Concurrent resolution expressing the appreciation of Congress for a bequest of a collection of naval and other medals from the late Dr. Malcolm Storer, of Boston, Mass.; without amendment (Rept. No. 2780). Referred to the House Calendar.

Mr. SAMUEL B. HILL: Committee on Ways and Means. House Joint Resolution 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions; without amendment (Rept. No. 2781). Referred to the Committee of the Whole House on the state of the Union.

Mr. FADDIS: Committee on Military Affairs. H. R. 11419. A bill to establish additional national cemeteries; with amendment (Rept. No. 2785). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. S. 4457. An act authorizing the appointment of an additional circuit judge for the third circuit; without amendment (Rept. No. 2786). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 10313. A bill to provide for hurricane control in the Gulf of Mexico and environs during the hurricane season; with amendment (Rept. No. 2787). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 3043. A bill to provide for the appointment of an additional district judge for the northern district of Georgia; without amendment (Rept. No. 2788). Referred to the Committee of the Whole House on the state of the Union.

Mr. FADDIS: Committee on Military Affairs. S. 4390. An act to amend the National Defense Act relating to the Medical Administrative Corps; without amendment (Rept. No. 2789). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 12793. A bill to amend certain administrative provisions

of the internal-revenue laws, and for other purposes; without amendment (Rept. No. 2818). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on Merchant Marine and Fisheries. S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended; with amendment (Rept. No. 2819). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HARTER: Committee on Military Affairs. S. 4115. An act for the relief of Charles D. Birkhead; without amendment (Rept. No. 2783). Referred to the Committee of the Whole House.

Mr. FADDIS: Committee on Military Affairs. S. 823. An act for the relief of Benjamin H. Southern; without amendment (Rept. No. 2784). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 864. A bill for the relief of Bernard Knopp; with amendment (Rept. No. 2790). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 890. A bill for the relief of Oscar L. McCallen; with amendment (Rept. No. 2791). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 2120. A bill for the relief of Mr. and Mrs. Charles F. Carter, parents and guardians of Louise Marie Carter, a minor; with amendment (Rept. No. 2792). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5618. A bill for the relief of Floyd Gatton; with amendment (Rept. No. 2793). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 5759. A bill for the relief of Marie B. Neale; with amendment (Rept. No. 2794). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 5829. A bill for the relief of Daniel J. Hagerty; with amendment (Rept. No. 2795). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 7209. A bill for the relief of Nannie D. Harding; with amendment (Rept. No. 2796). Referred to the Committee of the Whole House.

Mr. NICHOLS: Committee on Claims. H. R. 7361. A bill for the relief of Mary W. Carson; with amendment (Rept. No. 2797). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 7496. A bill for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hollowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hollowell; and Malcolm Donald as executor under the will of Gordon Donald; with amendment (Rept. No. 2798). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 8257. A bill for the relief of Catherine T. McNally; with amendment (Rept. No. 2799). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 9191. A bill for the relief of the dependents of James B. Kiley; without amendment (Rept. No. 2800). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 9390. A bill for the relief of Walter T. Karshner, Katherine Karshner, Anne M. Karshner, and Mrs. James E. McShane; with amendment (Rept. No. 2801). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. H. R. 9502. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of W. J. Nolan, L. Jacobson, J. A. Higuera, C. H. Damsted, R. Galle-guillo, F. G. Grigsby, K. H. Johnson, R. Dupouy, C. J. Degen, W. L. Nolan, R. C. Jensen, M. J. Roderick, L. K. Moore, C. Lederer, M. Kelley, R. Dinkel, A. J. Mouchou, C. R. Taylor,

M. Knull, S. W. Ligon, C. C. Johnson, W. P. Brennan, C. F. Siebert, and J. T. Weeks; with amendment (Rept. No. 2802). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 11123. A bill for the relief of Edward A. Foote, Jr., and others; with amendment (Rept. No. 2803). Referred to the Committee of the Whole House.

Mr. DALEY: Committee on Claims. H. R. 11668. A bill to credit the account of Everett P. Sheridan; with amendment (Rept. No. 2804). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 12522. A bill for the relief of Grier-Lowrance Construction Co., Inc.; without amendment (Rept. No. 2805). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. S. 1435. An act conferring jurisdiction upon the United States District Court for the District of Connecticut to hear, determine, and render judgment upon the claim of Elizabeth Kurau; without amendment (Rept. No. 2806). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 3371. An act for the relief of John Walker; with amendment (Rept. No. 2807). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. S. 3441. An act for the relief of C. T. Hird; with amendment (Rept. No. 2808). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. S. 3607. An act for the relief of T. H. Wagner; with amendment (Rept. No. 2809). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. S. 3608. An act for the relief of Vinson & Pringle; with amendment (Rept. No. 2810). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. S. 3824. An act for the relief of Maud Kelley Thomas; without amendment (Rept. No. 2811). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. S. 4052. An act for the relief of W. D. Gann; with amendment (Rept. No. 2812). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. S. 4140. An act for the relief of Homer Brett, Esq., American consul at Rotterdam, Netherlands, as a result of money stolen from the safe of the American consulate; with amendment (Rept. No. 2813). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. S. 4233. An act for the relief of William H. Brockman; without amendment (Rept. No. 2814). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. S. 4379. An act for the relief of the Indiana Limestone Corporation; with amendment (Rept. No. 2815). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. S. 4444. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States; without amendment (Rept. No. 2816). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 12730. A bill to authorize the payment of an annuity to William H. Moran, Chief of the Secret Service Division of the Treasury Department, upon his retirement, in recognition and appreciation of his services to the United States; without amendment (Rept. No. 2817). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 11867. A bill for the relief of Michael E. Sullivan; with amendment (Rept. No. 2820). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAAS: A bill (H. R. 12847) to provide further for the national defense; to the Committee on Naval Affairs.

By Mr. MAY: A bill (H. R. 12848) to provide an additional place of holding terms of the United States District Court in the Eastern District of Kentucky, and to amend section 83 of the Judicial Code as amended; to the Committee on the Judiciary.

By Mr. SUMNERS of Texas: A bill (H. R. 12849) to penalize procuring of or attempts to procure the escape of any prisoner in the custody of an officer of the United States; to the Committee on the Judiciary.

By Mr. LORD: A bill (H. R. 12850) authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. GOODWIN: A bill (H. R. 12851) authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. HARTLEY: A bill (H. R. 12852) to authorize the Secretary of the Navy to dispose of material to the sea scout department of the Veterans of Foreign Wars, of Belleville, N. J.; to the Committee on Naval Affairs.

By Mr. LEA of California: A bill (H. R. 12853) to amend the Emergency Farm Mortgage Act of 1933 in order further to provide for emergency loans to farmers; to the Committee on Agriculture.

By Mr. RANKIN: A bill (H. R. 12869) to liberalize the provisions of Public Law No. 484 Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mrs. ROGERS of Massachusetts: Resolution (H. Res. 525) requesting certain information from the Secretary of the Treasury; to the Committee on Ways and Means.

By Mr. McCORMACK: Resolution (H. Res. 526) providing for consideration of H. R. 6427, a bill to prohibit statements and publications advocating overthrow of the Government by violence, and for other purposes; to the Committee on Rules.

By Mr. BLAND: Joint resolution (H. J. Res. 597) authorizing an investigation by the Bureau of Fisheries of the California sardine (pilchard) fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. ELLENBOGEN: Joint resolution (H. J. Res. 598) proposing an amendment to the Constitution of the United States relative to taxing of income; to the Committee on the Judiciary.

By Mr. KOCIALKOWSKI: Joint resolution (H. J. Res. 599) to provide for the appointment of a committee to study the question of Puerto Rican independence; to the Committee on Rules.

By Mr. IGLESIAS: Joint resolution (H. J. Res. 600) to provide for the appointment of a commission to study the economic and social conditions prevailing in Puerto Rico and inquire into present and future political and economic relations between the United States and Puerto Rico; to the Committee on Rules.

By Mrs. NORTON (by request): Joint resolution (H. J. Res. 601) to exempt from the tax on admissions amounts paid for admission tickets sold by authority of the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect in January 1937; to the Committee on Ways and Means.

Also (by request), joint resolution (H. J. Res. 602) to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937; to the Committee on the District of Columbia.

Also (by request), joint resolution (H. J. Res. 603) to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies; to the Committee on Public Buildings and Grounds.

Also (by request), joint resolution (H. J. Res. 604) authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes; to the Committee on the District of Columbia.

By Mr. FISH: Joint resolution (H. J. Res. 605) authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New York, regarding a tariff duty on coconut oil; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 12854) for the relief of Joseph D. Gigante; to the Committee on Naval Affairs.

By Mr. CHURCH: A bill (H. R. 12855) for the relief of Bridget Della Cawley Ebbale; to the Committee on Immigration and Naturalization.

By Mr. COSTELLO: A bill (H. R. 12856) for the relief of Vincent Ford; to the Committee on Military Affairs.

By Mr. CURLEY: A bill (H. R. 12857) for the relief of Raymondo Bentivegna; to the Committee on Immigration and Naturalization.

By Mr. DELANEY: A bill (H. R. 12858) for the relief of Fannie Sarah Platt; to the Committee on Immigration and Naturalization.

By Mr. EKWALL: A bill (H. R. 12859) to correct the immigration status of Joseph Bryan Grant Ingoldsby; to the Committee on Immigration and Naturalization.

By Mr. LUNDEEN: A bill (H. R. 12860) for the relief of Victor Engstrand, father of Darwin Engstrand, a minor; to the Committee on Claims.

By Mr. MONAGHAN: A bill (H. R. 12861) for the relief of Burr A. Davison; to the Committee on Claims.

By Mr. O'BRIEN: A bill (H. R. 12862) for the relief of Rachel or Rachel Bursk; to the Committee on Immigration and Naturalization.

By Mr. PETERSON of Florida: A bill (H. R. 12863) for the relief of George T. Stonebraker; to the Committee on Claims.

By Mr. PETERSON of Georgia: A bill (H. R. 12864) for the relief of Gus Smith; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 12865) for the relief of Ralph Hart; to the Committee on Naval Affairs.

By Mr. SMITH of Connecticut: A bill (H. R. 12866) for the relief of Manuel Joaquim Ferreira; to the Committee on Immigration and Naturalization.

By Mr. STEWART: A bill (H. R. 12867) for the relief of John W. Watson; to the Committee on Claims.

By Mr. WELCHER: A bill (H. R. 12868) for the relief of Fred Robert Craig; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10977. By Mr. CONNERY: Petition of the General Court of Massachusetts, urging the Congress of the United States to afford the privilege of entry into this country to those

persons who are being discriminated against and persecuted in Germany on religious or racial grounds, by a suspension of the present immigration laws for a period of 2 years with reference to such persons; to the Committee on Immigration and Naturalization.

10978. Also, petition of the General Court of Massachusetts, urging the Congress of the United States to enact such legislation as may be necessary to make the Civilian Conservation Corps permanent; to the Committee on Labor.

10979. By Mr. DEBOUEN: Petition of the Louisiana Cattlemen's Association, adopted at their May 14, 1936, meeting at Lake Charles, La.; to the Committee on Ways and Means.

10980. By Mr. FITZPATRICK: Petition of the New York State Legislature, urging that the tariff duty on coconut oil should not be reduced below a minimum of 3 cents a pound; to the Committee on Ways and Means.

10981. By Mr. FORD of California: Resolution of the city planning commissioners of the city of Los Angeles, endorsing the housing bill (S. 4424) of Senator WAGNER; to the Committee on Banking and Currency.

10982. By Mr. GAVAGAN: Petition of the Legislature of the State of New York, regarding a tariff on coconut oil; to the Committee on Ways and Means.

10983. By Mr. HILDEBRANDT: Resolution of the Faulk County Board of County Commissioners, Faulkton, S. Dak., urging that additional appropriations be made for continuing the works of the Resettlement Administration; to the Committee on Appropriations.

10984. Also, resolution of the Wilson Townsend Club, of Mitchell, S. Dak., relative to Townsend investigating committee; to the Committee on Rules.

10985. By Mr. JENKINS of Ohio: Petition signed by 197 voting citizens of Meigs County, Ohio, opposing the granting of discretionary power to any department in connection with the deportation of aliens at present residing illegally in the United States and urging that influence be exerted against the passage of the Dickstein and Kerr-Coolidge bills and that all possible be done to pass the Dies bill (H. R. 5921); to the Committee on Immigration and Naturalization.

10986. Also, petition signed by 65 voters and railroad employees of Ironton and Coal Grove, Ohio, and 7 voters and railroad employees of Columbus, Ohio, requesting Members of the Seventy-fourth Congress to use their best efforts to secure the enactment of the Wheeler-Crosser bills (S. 4174 and H. R. 11609); to the Committee on Interstate and Foreign Commerce.

10987. By Mr. KENNEDY of New York: Petition of the Legislature of the State of New York, regarding a tariff on coconut oil; to the Committee on Ways and Means.

10988. By Mr. PFEIFER: Petition of the Senate and the Assembly of the State of New York, Albany, that tariff duty on coconut oil should not be reduced below a minimum of 3 cents a pound; to the Committee on Ways and Means.

10989. Also, petition of the Navy Post, No. 16, American Legion, New York, urging support of House bills 11681 and 11682; to the Committee on Naval Affairs.

10990. By Mr. REED of Illinois: Petition signed by Dr. Coughlin and 20 residents of Harvard, Ill., requesting passage of House bill 11609 and Senate bill 4174; to the Committee on Interstate and Foreign Commerce.

10991. Also, petition signed by Ruth Livingston, president, Harvard (Ill.) Townsend Club, No. 1, and by 56 members of the club, requesting passage of House bill 7154; to the Committee on Ways and Means.

10992. By Mr. SADOWSKI: Petition of Farmers and Manufacturers Beet Sugar Association, of Saginaw, Mich., endorsing Senate bills 4423 and 4560, and House bills 12225 and 12295; to the Committee on Ways and Means.

10993. By Mr. SISSON: Petition of the board of directors, Utica Chamber of Commerce, opposing tax legislation; to the Committee on Ways and Means.

10994. By the SPEAKER: Petition of the Tennessee Federation of Labor; to the Committee on the Judiciary.